Ontario

Back on Track

First Report of the Advisory Group on New Social Assistance Legislation

March 1991

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Advisory Group on
New Social Assistance Legislation

Report on Short-term Reform

March 1991

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BACK ON TRACK

REPORT OF THE

ADVISORY GROUP
ON NEW SOCIAL ASSISTANCE LEGISLATION

PREPARED FOR
THE MINISTER OF COMMUNITY AND SOCIAL SERVICES

Comments on this report should be addressed to:

Advisory Group on New Social Assistance Legislation
c/o Legislation Development Section
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Recycled Paper

March, 1991

Honourable Zanana Akande
Minister of Community and Social Services
Sixth Floor, Hepburn Block
Queen's Park
Toronto, Ontario
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Dear Ms. Akande:

We are submitting to you today the first Report of the Advisory Group on New Social Assistance Legislation.

In this Report we have reviewed the recommendations put forward in Transitions, the Report of the Social Assistance Review Committee which was submitted to the previous government on September 1, 1988, as well as other issues which we believed should be addressed.

Our purpose in this Report is to present to you a working document containing a package of proposals from which it is possible to move directly to implementation of reform. The proposals contained in this document do not require legislative change; some will require changes in regulations associated with the legislation, while others will require changes to administrative guidelines.

Later this year we will be presenting to you the second of our reports which will contain proposals for the reform of the legislation leading to the establishment of a unified system of social assistance administration.

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As a community-based group, we have very much appreciated the opportunity which has been given to us to assist in making the reform of social assistance a reality. We look forward to a continuing cooperative relationship as the Ministry and the Government move forward with implementation of reform.

Yours sincerely,

Allan Moscovitch
Allan Moscovitch, Chair

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Acknowledgements

Between July 1986 and September 1988, the Social Assistance Review Committee and many supporting staff laboured to produce the Transitions report on reform of social assistance in Ontario. Transitions is the foundation on which the work of the Minister's Advisory Group on New Social Assistance Legislation has proceeded. We gratefully acknowledge the work of the Social Assistance Review Committee and the many individuals and community groups who contributed to Transitions.

In May of 1990, through the initiative of Charles Beer, then Minister of Community and Social Services, the Advisory Group on New Social Assistance Legislation was created as a community-based group with a mandate to advise the Minister on how to transform the many recommendations in Transitions into new social assistance legislation. It was to be an experiment in which a community group, working with Ministry, government, municipal and community staff as well as recipients of assistance, would advise the Minister on the implementation of social assistance reform.

While the Minister was committed to the process of reform, it became clear during the summer of 1990 that the government was not. The government declined to provide the project of social assistance reform with the funding it required.

Shortly after taking office, the present Minister of Community and Social Services, the Honourable Zanana Akande, met with the Advisory Group to outline her government's commitment to reform and asked us to examine how we could speed up the process. It was her request that led to this report; we gratefully acknowledge her commitment to reform, her resolve to ensure that sufficient funds be made available and for her willingness to support a community-based process of implementing social assistance reform.

Many people contributed to making this report possible. As Manager of the Legislation Development Section of the Ministry, John Stapleton has played a key role in the organization of the social assistance reform project. His knowledge of the legislation and of the Transitions report was invaluable to us in the preparation of this report. We greatly appreciate his work and his commitment to the project.

The largest part of the writing of the report was undertaken by Cheryl Hamilton whose capacity to convert good ideas and complex discussions was so important to the completion of this report. We are grateful to have had her available to work with us.

We extend our appreciation also to the staff of the section, including Marilynne Glick, Heather Driver and Sarah Kramer who provided valuable research and advice. Our thanks also to Carolyn Campbell who worked with the section in the early months of the project, and to Sophia Argirovski and Dyane Beaupre who provided administrative assistance for the report.

Other Ministry staff assisted in the preparation of the report. Chandra Pala, of the Income Maintenance Branch, coordinated the work of other staff and contributed directly to the preparation of estimates of the cost of many of the reforms outlined in this report. As team leader of the First Nations communities project team and a former member of the Legislation Development Section, Jim Loft helped to prepare the report which became the basis of the chapter on First Nations communities. Jane Marlatt, Assistant Deputy Minister with responsibility for the Income Maintenance Branch, provided valuable assistance and coordination with Ministry staff.

Mary Jane Mossman, who was appointed to the Advisory Group in May 1990, withdrew from the Group before the completion of this report. We thank Mary Jane for her valuable contribution in the early months of our work.

Lastly, we wish to acknowledge with gratitude the contribution of those organizations which came to talk to us on short notice about the reforms that we should be addressing in this report.

Allan Moscovitch, Chair
Advisory Group on New Social Assistance Legislation
March, 1991

Members of the Advisory Group

Allan Moscovitch, Chairman, Associate Professor, School of Social Work, Carleton University, Ottawa.

Jacques P. Cote, former member of Social Assistance Review Committee, Justice of the Peace, Hearst.

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Reverend Susan Eagle, Minister and Community Outreach Worker for the United Church, member of Interfaith Social Assistance Reform Coalition, London.

Amy Go, Supervisor of Immigrant Services, Woodgreen Community Centre, Toronto.

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Susan Pigott, Director of Allocations and Community Relations, United Way of Greater Toronto, formerly with Family Service Association of Metro Toronto, Past Chair of the Child Poverty Action Group, Toronto.

E. Courtney Pratt, Senior Vice President of Human Resources and Strategic Planning, Noranda Inc., Past Chairman, United Way of Greater Toronto, Oakville.

Dick Stewart, Deputy Commissioner, Regional Municipality of Ottawa-Carleton, Past President of Ontario Municipal Social Services Association, Ottawa.

SUMMARY

Introduction

Back on Track, the first report of the Advisory Group on New Social Assistance Legislation, urges the Ontario government to move forward quickly on reform of the province's social assistance system.

The report recommends a package of 88 actions for implementation by the government. These actions address crucial problems in the system related to inadequacy of benefits, inequities in the treatment of people and unnecessary complexities.

The report also proposes giving people who receive social assistance a formal role in the decision-making process through a Council of Consumers. It calls for pilot projects to be launched around the province to demonstrate how to implement an opportunity planning system to help recipients make the transition to autonomy.

In addition, the report asks the government to establish standards for service in the system and to provide sufficient funding to ensure that the standards are met. It also asks for a commitment from the government to define a standard for adequacy of social assistance rates, using a market basket approach. And it recommends changes in cost-sharing and creation of a special fund to give some financial relief to municipalities.

The 11-member Advisory Group is an independent working group set up in May 1990 to provide ongoing, strategic advice to the Minister of Community and Social Services on new social assistance legislation. However, the actions in this report are not legislative changes that must wait for a new bill to be introduced in the House. They are reforms that can be accomplished in the short term.

These actions involve changes in regulations under the two existing acts that govern social assistance, the General Welfare Assistance Act (GWA), and the Family Benefits Act (FBA), or they involve a policy change or directive that can be carried out by the Ministry of Community and Social Services (MCSS).

The cost estimate for implementation of the package of reforms is approximately $450 million.

Regaining Momentum

The Advisory Group believes that it is important to move on these short-term issues to regain the momentum for reform that was generated by the landmark Transitions report of the Social Assistance Review Committee (SARC). Transitions, which was released in 1988, called for a major overhaul of the social assistance system.

Many of the action items in this report reflect recommendations in Transitions that have not yet been acted upon. In 1989, the previous government announced improvements to social assistance rates and shelter allowances, and implementation of some of the short-term recommendations in Transitions. However, much remains to be done to achieve the transformation of the system envisioned by the review committee.

This report is by no means the culmination of the reform process. It is only a start toward the adequate, humane and accessible social assistance system that Ontario ought to have. But it is an important start. The reforms in this package, if implemented, should make the system simpler, fairer, more effective and responsive.

In the Advisory Group's next report, which is to be completed later in 1991, major issues related to new legislation will be discussed, as well as an evaluation of the Supports to Employment Program (STEP) for social assistance recipients that was initiated in 1989.

The Advisory Group report echoes Transitions in its declaration that social assistance reform cannot solve the problem of poverty in our society. Back on Track says that in subsequent reports to the Minister, the group will examine and advise on such longer-term issues as an income program for persons with disabilities, a children's benefit and the advisability of an income supplementation program for the working poor.

The Advisory Group emphasizes the need for comprehensive reform of the social supports that are provided to the disadvantaged members of Ontario society. It also explores the inter-relationship between social and economic policies. The package of reforms in this report will open the "entrance" to social assistance considerably wider. But it will also begin the process of broadening the "exits" from social assistance so that people can leave the system and make the transition to autonomy. In order for this to happen, there must be a wide range of realistic opportunities available for training and jobs, and these must be created through policies aimed at a full employment society.

The report is critical of the last 15 years of government fiscal policy in Ottawa and Ontario for their fixation on inflation rather than on the need to invest in people, who are the key ingredient in economic growth.

A report on short-term reforms in social assistance for First Nations communities accompanies Back on Track. It was written by the First Nations communities project team, working in a parallel process to the Advisory Group. The report is separate because of the special relationship between aboriginal peoples and the government. The Advisory Group endorses the team's report and in addition has highlighted certain issues in a chapter on First Nations communities.

There are six other project teams that are providing advice on complex issues to the Advisory Group. The project teams focus on legal issues, the benefit structure, the process for determining disability, employment services, delivery and funding issues and the evaluation of the STEP program. The teams include experts from outside government and MCSS.

In preparing this report, the Advisory Group did not repeat the extensive consultations that were conducted by the Social Assistance Review Committee, but it did hold informal discussions with a cross-section of provincial organizations to obtain their views on short-term reform of social assistance. It will continue to keep in touch with the community throughout its work.

The Advisory Group plans to monitor implementation of the reforms in this report that are approved by the government. It also expects to finish its work in 1992.

Goals for Short-Term Reforms

The short-term reforms in this report, taken as a package, are designed to:

- respond to immediate need;
- re-energize the momentum for reform and assure those who are committed to reform that it is going to happen;

- avoid the dislocation that would occur in the system if all the changes were left until new legislation could be enacted;
- keep the system primed for reform by making changes now rather than later;
- keep in touch with communities by reporting to the Minister and the public on the progress of reform; and
- move towards a new and open relationship with people who receive social assistance.

As much as the Advisory Group would have liked to expedite some issues that require legislative change, it was recognized that the process of developing and enacting the comprehensive new legislation that is needed takes additional time. In some cases, where it was determined that a matter could not be resolved in the short term, the action item calls for work to get underway to ensure that resolution is achieved as soon as is practical. All these matters must be addressed before proposed legislation is tabled in the Legislature.

The Advisory Group selected the changes that should be made on the fast track, based on the following key criteria:

- First and foremost, these reforms should, wherever possible, serve to remove hardship for people who receive social assistance or who have historically been denied assistance. They should make people's lives better.

- These changes should move the system in the direction of making need the sole criterion for providing assistance.

- These reforms should make the system fairer and more accessible, so that assistance is not denied or reduced on arbitrary grounds.

- The system should become less complex and more consistent.

- The system should become more understandable to those who use it, to those who work in it and to the public at large.

- The changes should be cost-effective, that is, they should contribute to making the system work better for the dollars put into it.

- The system should focus primarily on serving the needs of the recipient, rather than forcing the recipient to meet the demands of the system.

- These changes should help to free the overloaded front-line worker from unnecessary administrative practices so that he or she can work more constructively with recipients.

- Barriers to individual autonomy should be removed to encourage the transition to the mainstream of community life.

- These reforms should move in the direction of an integrated social assistance system which combines the General Welfare Assistance Act (GWA) and the Family Benefits Act (FBA).

- They should be implementable in the short term, that is, before the introduction of new social assistance legislation.

Highlights

A list of the 88 action items follows this summary. If implemented, these actions would serve to:

- improve benefits by, for example, making special necessities such as medical supplies and basic dental care mandatory rather than discretionary benefits and increasing the personal needs allowance for people in need who live in institutions or hostels;

- streamline service delivery through such actions as authorizing pilot projects in self-declaration and setting a service standard across Ontario that applications should to be taken and eligibility determined within 48 hours of first contact with a welfare worker;

- give a voice to people who receive social assistance through formation of a Council of Consumers;

- make eligibility rules more equitable, less complex and more in tune with today's realities by, for example, making assistance available to people such as the working poor, self-employed people like farmers or refugee claimants, on the basis of need, rather than excluding them on the basis of a category;

- begin implementing opportunity planning, as advocated in Transitions, to ensure that recipients are given the services and supports necessary to help them make the transition to independence ($5 million in seed money for at least six pilot projects);

- develop a community standard to measure adequacy of social assistance rates, using a market basket approach that prices a number of goods and services that people need to live;

- improve incentives to work, by lowering the tax-back rate on earned income, while making the rules about job searches fairer and more realistic;

- promote the rights of recipients by, for example, ensuring that they can have an advocate accompany or represent them in dealing with the system and ensuring also that they are notified in writing of decisions and their right to appeal those decisions;

- increase staff to improve services through, for example, agreement between the province and municipalities on a reasonable client-to-staff ratio;

- improve funding for municipalities, which deliver general welfare, through 50 per cent provincial cost-sharing of those administrative costs now borne exclusively by local governments;

- create a special fund to provide relief to municipalities adversely affected financially by the reforms in this package.

Conclusion

The report acknowledges that Ontario is in the midst of a recession and that there are competing demands for public dollars. It argues, however, that now, more than ever, social supports for the most disadvantaged and vulnerable people in our society must be strengthened. The fact that more people are in need during hard economic times should make the momentum for reform more urgent.

About 42 per cent of those people who depend on social assistance are children. If we do not act on these reforms soon, we will have condemned yet another generation of children to a life of publicly-supported poverty. In so doing, we will be undermining the social, economic and political future of this province.

Action 1:

The Minister should make a commitment to making special necessities mandatory benefits for people receiving social assistance. A list of special necessities should be included in the GWA and FBA regulations.

Action 2:

Basic dental care should be extended under FBA to single parents and others. Basic dental care for GWA recipients should be included as a mandatory special necessity under GWA regulations.

Action 3:

Needs tests for Supplementary Aid and Special Assistance should be standardized and consistently applied across the province.

Action:

4.1 There should be a commitment to extending the personal needs allowance in GWA and FBA to all people in need in institutions and hostels. People should not be denied this allowance based on the category of institution.

4.2 The personal needs allowance should clearly be made an item of general assistance for those who receive it under GWA. This way, there will no longer be any local discretion as to whether the allowance is paid or not.

4.3 Regulations and guidelines under FBA and GWA should be amended to raise the personal needs allowance to $135 a month from $100.

4.4 The Ministry of Community and Social Services should adopt a policy that previous overpayments should not be deducted from a recipient's personal needs allowance.

Action 5:

Boarders should be eligible for a mandatory personal needs allowance of $135 monthly.

Action 6:

The distinction between profit and non-profit boarding rates should be abolished and the allowances equalized at the for-profit rate.

Action 7:

The rate distinction between single employable and temporarily unemployable people under GWA should be abolished.

Action 8:

While in hospital, people on social assistance should continue to receive their full allowances for at least three months, with provision for an extension if appropriate.

Action 9:

A battered woman who has fled the home and who is in need should be granted social assistance for three months. Extensions should be allowed based on individual circumstances.

Action 10:

Municipalities and First Nations communities should be invited to make proposals to participate in pilot projects in self-declaration. There should be several pilots in different areas of the province, both urban and rural. Area Offices of the Ministry of Community and Social Services should work with the pilot projects to ensure that the application process for FBA is also simplified and expedited.

Action 11:

The requirement for a home visit should be abolished. Home visits should only be made at the request of an applicant or recipient.

Action 12:

People seeking assistance from GWA offices should have their applications taken and their eligibility determined within two working days of first contact with a GWA worker. Where eligibility is established, payment should be calculated from the date of application.

Action 13:

Applications for social assistance must be taken in all cases. The right to make an application should be confirmed and promoted throughout the system.

Action 14:

A clear policy statement should be distributed throughout the system affirming that all decisions on rejection of an application for assistance or reduction or cancellation of an allowance must be provided in writing. In addition, the person must be advised in writing of his or her right to appeal.

Action:

15.1 The FBA regulations should be revised so that an applicant who originally applies and is found eligible under an existing FBA eligibility category is deemed to be eligible for FBA from the date of application for GWA.

15.2 All people receiving GWA for two consecutive years should be deemed to be eligible for FBA in the 25th month.

15.3 Staffing in provincial FBA offices should be increased to handle the backlog of applications for the program.

15.4 More municipal and provincial offices should experiment with joint intake processes for GWA and FBA.

Action 16:

The Ministry of Community and Social Services should establish a $5 million annual fund to provide more support for services and materials in languages other than English and French.

Action 17:

The practice of directly depositing social assistance payments in a bank account of the recipient's choosing should be encouraged by the Ministry of Community and Social Services in its own offices and municipal offices.

Action 18:

People who receive GWA should have the same protection as recipients of FBA against redirection of their social assistance allowance to a third party.

Action 19:

Unconsolidated counties should begin the process of consolidating for the purposes of administering social assistance.

Action 20:

The Ministry of Community and Social Services and municipal representatives should begin the process of reviewing the role of District Welfare Administration Boards (DWABs), including the issues involved in consolidating service delivery in Northern districts that do not now have a DWAB.

Action 21:

The Minister of Community and Social Services should give a commitment immediately on behalf of the government of Ontario to establish a Council of Consumers composed of social assistance recipients who are members from local organizations. Self-help groups, consumer advocacy and other advocacy groups and the community at large should be asked for their ideas on the structure and specific mandate of the Council.

Action 22:

Where possible, resources from Special Assistance and Supplementary Aid budgets should be used to purchase services and goods from self-help groups to encourage people receiving social assistance to run their own self-support neighbourhood services.

Action 23:

A communications strategy should be developed by the Communications and Marketing Branch of the Ministry of Community and Social Services to ensure that accurate, timely and relevant information, prepared by a variety of sources, is provided to people receiving social assistance on how the system works and what their rights, responsibilities and opportunities are.

Action 24:

The Ministry of Community and Social Services should indicate by directive that any applicant or recipient is entitled to be accompanied or represented by an advocate when dealing with the social assistance system.

Action 25:

The Communications and Marketing Branch of the Ministry of Community and Social Services should develop plans for a public education campaign to inform people about social assistance and the reform agenda.

Action:

26.1 Legal counsel for the Ministry of Community and Social Services should explore all avenues for prohibiting by regulation any disclosure of names of persons receiving social assistance, including release of names during closed sessions of municipal council.

26.2 Should regulatory change not be possible, a directive should be sent to all municipal councils and provincial offices stating the government's opposition to the release of names of persons receiving social assistance.

26.3 In addition, the office of the Information and Privacy Commissioner should be asked for a legal opinion on the impact of the new Municipal Freedom of Information and Protection of Privacy Act on disclosure of names to council members.

Action 27:

Regulations under General Welfare Assistance should be clarified to ensure that GWA is extended to all eligible persons working full-time who are in need.

Action 28:

A new regulation should be introduced for single parents so that they do not have to go through an imposed waiting period before being eligible for Family Benefits.

Action 29:

Regulations should be amended to clarify that eligibility on the basis of residency does not require an applicant to have a permanent address.

Action 30:

Residency rules should be formally dissociated from home visits.

Action 31:

The regulations under GWA should be clarified to ensure that all people (visitors and out-of-status claimants) applying for landed immigrant status as refugees are considered to be fulfilling the residency requirement for eligibility.

Action 32:

Youth aged 18 to 20 living in the parental home should be granted assistance in their own right where they are in need and where:

1) they have lived independently outside the home for a certain minimum period, such as six months, and have returned home to resume secondary-level education; or

2) they have been receiving social assistance while living outside the home, have returned home with the intention of living there independently, paying room and board, and have either returned to school or are looking for work; or

3) they provide an affidavit stating that their parent or parents cannot support them financially in the home.

Action 33:

Employable persons aged 16 and 17 who are in need and who are living outside the family home should be eligible for assistance unless there are special circumstances that indicate that they should not be eligible.

Action 34:

Self-employed persons who are in need should not, in principle, be automatically ruled ineligible for GWA. Work on a consistent set of province-wide guidelines covering assessment of self-employed income should begin immediately.

Action 35:

A grace period of six months should be allowed in which a person receiving social assistance may retain assets related to small business, farming, or other defined "tools of the trade" up to a specified ceiling. An extension beyond six months should be granted, based on a review of individual circumstances.

Action 36:

The rule governing ownership of a second property as grounds for ineligibility for FBA should be abolished.

Action 37:

The wording of the FBA regulation that applies to saving for necessary items should be extended to GWA.

Action 38:

The rules related to "inadequate consideration" and the spending down of assets or income to obtain social assistance should be revoked.

Action 39:

In line with the Henson judgment, regulations should be changed to allow persons with disabilities to receive small or moderate estates without losing their allowances and benefits.

Action 40:

The Ministry of Community and Social Services should withdraw its appeal of the Social Assistance Review Board decision on disability determination.

Action 41:

The medical advisory board should be required to provide written reasons for its advice on disability determination.

Action 42:

Couples aged 60 to 64 should be made eligible for FBA on the same basis as single persons.

Action 43:

The discharge payment for persons leaving an institution and moving into a home in their community should be extended to become a community start-up payment. It should be made available, on a consistent basis under both GWA and FBA, to persons leaving institutions and to others in need who are setting up an independent residence.

Action:

44.1 The provincial government should enter discussions with the federal government on terms of an immigration agreement that would include resolution of the sponsorship issue.

44.2 Pending resolution of the sponsorship issue through federal-provincial negotiations, social assistance should be made available to sponsored immigrants who are in need and who sign an affidavit stating that their sponsor is not providing support.

Action 45:

Couples receiving GWA and FBA should receive double the single rate.

Action 46:

The Minister of Community and Social Services should press the Attorney General to implement changes in the Family Law Act to extend laws relating to support obligations for couples of the same sex.

Action 47:

The $40 boarder charge levied against two unrelated persons sharing accommodation should be abolished. Boarder charges should remain for normal boarding circumstances.

Action:

48.1 The regulation requiring a person to take any job of which he or she is physically capable should be changed to refer to "suitable employment".

48.2 The Minister of Community and Social Services should write to all municipal councils stating that job searches may be suspended in instances where they are not warranted.

48.3 Criteria should be developed indicating what factors welfare administrators should take into account in requiring job searches.

48.4 The section of FBA regulations that says benefits may be cancelled or suspended if a person is unwilling to accept employment should be abolished.

48.5 The reference to history of employment in the GWA regulations should be abolished.

Action 49:

As an interim step, the tax-back rate on income above the level of allowable exemptions under the Supports to Employment Program should be reduced from 80 per cent to 66 2/3 per cent.

Action 50:

The calculation of the deduction for child care expenses under the Supports to Employment Program (STEP) should be changed to ensure that the full value of the deduction is realized.

Action 51:

In addition to the basic exemption under STEP, persons with disabilities who receive social assistance should be allowed to deduct specified work-related expenses, including those attributable to disabilities, at their actual cost.

Action 52:

All mandatory deductions, including union dues and pension contributions, should be included in the definition of net income under STEP.

Action 53:

The treatment of income under STEP should be the same for both job training and employment earnings. The employment start-up benefit should be available to persons beginning training, as well as those entering the workforce.

Action 54:

All people receiving social assistance should be allowed to average their employment earnings over six months.

Action 55:

All persons with disabilities who receive social assistance and who take training away from home should be eligible for the special accommodation (second residence) benefit that is now only available to participants in the Vocational Rehabilitation Services Program.

Action 56:

An enforcement strategy should be developed to ensure that social assistance regulations and directives are implemented in a reasonable and timely fashion. This enforcement strategy should also include decisions by the Social Assistance Review Board.

Action 57:

A simple and straightforward in-house appeal procedure should be established to settle disputes over GWA and FBA at the local level. Disputes that remained unresolved could still be taken to the Social Assistance Review Board for a decision.

Action 58:

A definitive opinion should be sought on the legality of the current practice of withholding social assistance cheques. The Ministry of Community and Social Services should act on that opinion. In addition, a policy must be developed to ensure that cheques are not withheld for information purposes only.

Action:

59.1 The Ontario government should make a commitment to producing a native-specific manual for delivery of social assistance to First Nations communities.

59.2 The Ministry of Community and Social Services should take the lead in bringing together relevant government representatives and native organizations to begin the process of developing the First Nations manual.

59.3 In the interim, the Northern Districts Manual should be revised and updated.

Action 60:

All written materials, including application forms, correspondence, brochures, directives, and manuals that affect people applying for or receiving GWA in First Nations communities should be translated into Oji-Cree.

Action 61:

There should be a list of mandatory special necessities, including repairs to substandard housing and provision of basic sanitation, specific to the needs of social assistance recipients in First Nations communities. The list should be developed by the First Nations communities project team and endorsed by the Minister.

Action 62:

The Northern allowance should be made part of the basic social assistance allowance and a rate schedule should be established in the regulations that bases the allowance on actual family size and ages of the children.

Action 63:

The Ministry of Community and Social Service should take the initiative to begin a review of the salaries of First Nations social service administrators to establish a salary schedule that is fair and equitable.

Action 64:

Transportation costs associated with funerals and burials should be cost-shared by the Ministry of Community and Social Services at 80 per cent.

Action 65:

GWA regulations should be made to parallel FBA regulations exempting compensation and land claim settlements.

Action 66:

The Ministries of Community and Social Services, Education, Colleges and Universities and Skills Development should review provincial training and employment programs to identify ways to improve coordination and effectiveness.

Action 67:

The Ontario government should expand its efforts to combat the serious illiteracy problem in the province.

Action 68:

The Ministries of Education and Citizenship and Culture should work together with the federal government to remove the systemic barriers, including lack of access to child care, preventing immigrants from receiving English or French as a Second Language training. They should also provide adequate funding to meet the demand for training.

Action 69:

More services for people with disabilities should be delivered through mainstream programs.

Action 70:

The Minister of Community and Social Services should urge the Attorney General to consider amendments to the Family Law Act that would redress the lower standard of living faced by women after family breakdown and that would provide a stronger direction to the courts in determining adequate support, particularly for children.

Action 71:

The Ontario Student Assistance Plan should provide post-secondary students with an adequate income that makes it unnecessary for them to apply for social assistance.

Action 72:

Planning should commence to transfer the foster parent program from social assistance legislation to the Child and Family Services Act.

Action 73:

An action plan should be developed by the Ministry of Community and Social Services in consultation with community groups, to merge the Handicapped Children's Benefit and the Special Services at Home program and to transfer the integrated program to the Child and Family Services Act.

Action 74:

Negotiations should commence between the Ontario government and municipal representatives on an appropriate client-to-staff ratio. In the interim, for the purposes of the 1991 municipal budget year, the 90:1 GWA client-to-worker ratio and the 1:6:2 supervisor-worker-clerical staff ratio that is established in the integrated FBA/GWA sites should be used as a basis for immediate action.

Action 75:

A human resource strategy committee and a training committee should be established immediately to begin work on necessary human resources planning to facilitate the implementation of social assistance reform.

Action 76:

The Ontario government must decide quickly on new funding arrangements for social services.

Action 77:

The province and municipalities must share at the existing 50-50 formula the costs of meeting the province-wide GWA caseload standard.

Action 78:

The provincial government should agree to fund the additional staffing costs incurred by municipalities in 1990 under the existing 50 per cent formula.

Action 79:

The Minister of Community and Social Services should adopt the principle of cost neutrality for municipalities in the implementation of the reforms in this report. To ensure that municipalities do not have to spend more to implement these reforms, the province should establish a special fund to provide financial relief to those municipalities adversely affected.

Action 80:

The province should make a commitment to cost-sharing at 50 per cent the major administrative expenses, such as rent, postage, telephone, computer development, supplies, accounting and janitorial services, that are not now covered under the Canada Assistance Plan.

Action 81:

The province should fund the administration of joint FBA-GWA intake projects at 100 per cent.

Action 82:

Special necessities should be funded by the provincial government at 80 per cent for GWA and 100 per cent for FBA.

Action 83:

There should be cost-sharing for part-time social service administrators in areas of the province where there is no upper-tier level of government.

Action 84:

The Minister of Community and Social Services should take the earliest possible opportunity to begin discussions with the federal government on the issue of maintaining Canada Assistance Plan cost-sharing.

Action 85:

The Ministry of Community and Social Services should provide $5 million in seed money for at least six pilot projects to experiment with methods of opportunity planning in a variety of communities.

Action 86:

The Ministry of Community and Social Services should make a commitment to follow up on the work of the Benefit Structure project team to use a market basket approach to establish a standard of adequacy for social assistance allowances and benefits.

Action 87:

The inter-ministerial committee on social assistance reform should make child care a priority issue.

Action 88:

The Ministry of Community and Social Services should launch a study of the pay period for social assistance.

CHAPTER 1: INTRODUCTION

The Advisory Group: Advancing the Reform Timetable

The Advisory Group on New Social Assistance Legislation was formed in May, 1990 to provide the Minister of Community and Social Services with ongoing, strategic advice on the development of new social assistance legislation for Ontario.

New legislation that merges the existing General Welfare Assistance Act (GWA) and the Family Benefits Act (FBA) and that creates one benefit structure for all people who receive social assistance was the first recommendation of the landmark 1988 report of the Social Assistance Review Committee (SARC). The Transitions report also recommended that the process of developing a new act should include broad public consultation.[1]

The 11 members of the Advisory Group, chaired by Allan Moscovitch, Associate Professor in the School of Social Work, Carleton University, represent a cross-section of the Ontario community, including people who have received social assistance, anti-poverty advocates, multicultural groups, persons with disabilities, First Nations communities, municipalities, organized labour, academia and private business.

We are an independent working group. We bring the perspectives and concerns of different interest groups to discussions on the implementation of social assistance reform. But this group also reflects the consensus that evolved during and after the SARC project. That consensus was based on a common goal that we share – the elimination of poverty.

Transitions identified serious problems with the existing system and provided the government with direction for solutions to those problems. SARC has provided the agenda for reform, and we are not recreating what that committee has already done. What our group is doing is translating the agenda in Transitions into distinct, detailed plans for implementation by government.

We want the momentum for social assistance reform that was generated by the Social Assistance Review Committee to be recaptured.

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[1] Social Assistance Review Committee, *Transitions*, (Toronto: Queen's Printer for Ontario,1988), pp. 135-39, 518-19.

There is a feeling among many groups that have been calling for reform that the momentum has been lost or at least stalled. For that reason, we have named our report Back on Track to indicate that this report marks a step forward in the reform process.

Transitions implied a timetable for the staging of reform that took into account the need to proceed incrementally with a transformation of the system. The first-stage reforms were to be completed by March 1990, and new legislation was to be before the Legislature by March 1992.

Some of the first-stage reforms have been implemented, addressing in part the adequacy of allowances and certain glaring inequities and anomalies criticized in Transitions. In 1989, a $415 million package of initiatives was announced by the government that included improvements in allowances for basic needs and shelter. As part of the package, the Supports to Employment (STEP) initiative was introduced to remove some of the systemic barriers to employment for people receiving social assistance and to provide some positive incentives to help them make the transition to independence.

Although the improvements to social assistance announced in 1989 were significant, many of the fundamental problems pertaining to the fairness and adequacy of the system that were identified by the review committee have not yet been eliminated. Of the $415 million package announced in 1989, only $221 million was spent on social assistance reform.

As a result, much remains to be done. We share the impatience and frustration of those in the community who cannot understand why many major recommendations in Transitions have not been implemented. We also recognize, however, that a fundamental restructuring of the social assistance system requires an enormous amount of change that cannot be achieved overnight.

This is a system that has been operating without substantive legislative change for more than two decades and without fundamental change for the last 40 years. It has acquired over a period of decades a complex mesh of regulations and guidelines that, however illogical and idiosyncratic they may seem, have taken on a life of their own.

It is a system that is not working. It is not keeping people out of the grip of poverty, nor is it helping many of those who could become self-sufficient.

Transitions found that the rules and regulations governing social assistance were unnecessarily complex and lacking in an overall rationale or secure policy framework. With its myriad rules and lists of detailed exceptions, the system is not even "consistently inconsistent".[2] It is rife with anachronistic and contradictory rules which cause overt unfairness. It is virtually impossible to run the system efficiently and cost-effectively because it is bogged down in "administrivia" and swamped by demand.

Until there is a major restructuring, the people who depend on social assistance and the people who operate the system will continue to have to cope with a system that is in desperate need of fundamental transformation.

Ideally, we would like to replace the current system with a new one tomorrow. But we must work within the system that exists because there are so many people whose day-to-day needs are tied to the present system. It is also necessary to phase in the costs of reform and to stage the changes in a way that the system can implement them without undue disruption.

Recognizing those constraints, the purpose of this report is to advance the agenda for change as quickly as possible.

This document concentrates on what can be done in the short term. We have looked at the SARC report and we have considered what has changed since it was released more than two years ago, including the impact of economic conditions in 1991. From our discussions and analysis, we have developed a list of 88 action items for the Ontario government. The action items are listed at the front of this report.

Many of these action items are taken from Transitions; however, some others have been added. For readers who want to compare the relevant recommendations in Transitions with the actions in this report, we have included a cross-reference to the review committee's report in Appendix A.

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[2] David P. Ross, *Benefit Adequacy in Ontario,* Background paper for *Transitions* (Toronto: March, 1987).

We have endeavoured to put together a package that is implementable by the government and that will make a major contribution to the well-being of people who receive social assistance.

Like Transitions, this report is only a start toward the adequate, humane and accessible system we would like to have. But it is an important start.

Background and Process

When the Advisory Group was appointed in 1990, the Minister at that time, the Honourable Charles Beer, asked for advice on development of new social assistance legislation and also on the Ministry's evaluation of the STEP program. The Minister's statement announcing the formation of the Advisory Group and its terms of references are included in Appendix B and C.

A special legislation development section in the Ministry of Community and Social Services (MCSS) had been set up in the spring of 1989 to lay the groundwork for development of a new social assistance act. The legislation section, which provides staff support to the Advisory Group, has identified as many as 240 separate issues that must be resolved so that GWA and FBA can be consolidated into one new act. Some of these issues require detailed examination to determine how best to implement the direction set in Transitions.

To provide expert advice to the Advisory Group on specific issues, seven project teams have been established. They focus on legal issues, the benefit structure, the process for determining disability, First Nations communities, employment services, delivery and funding issues and an evaluation of the effectiveness of STEP. The teams have representation from the community and MCSS.

We have provided general direction to the project teams, and in some cases have referred particular issues to a team for analysis. At various points throughout this report, there are references to work being done by the project teams. We have asked them to pursue issues that are sufficiently complex that we did not feel we could make recommendations at this time. Appendix E includes a brief description of the project teams and the legislation development section.

Not long after we had our initial organizational meetings, a provincial election was called, which resulted in the election of a new government in

September, 1990. The new Minister of Community and Social Services, the Honourable Zanana Akande, asked us to look for ways to expedite the process of reform in light of the timetable set in Transitions.

The Advisory Group developed a plan, which was accepted by the government, whereby we would make recommendations in January, 1991 on changes that can be made quickly, through regulation or MCSS policy directive, rather than through legislative action. This report outlines these action items.

We have also made a commitment to the Minister that we will complete a second report later in 1991 on matters that will have a direct impact on development of a new social assistance act. That report will include the findings of the evaluation of the STEP program. The Minister's statement to the Legislature on November 29, 1990 that referred to the Advisory Group's timetable is in Appendix D.

We have met informally with several province-wide organizations (listed in Appendix F), many of whom represent people who receive social assistance. We did not repeat the extensive and thorough consultations conducted by the Social Assistance Review Committee. But within the tight time frame in which we had to work, we wanted to discuss with some representative groups what they thought could and should be done in the short term to advance the reform agenda. In preparing our second report, we will continue to be in touch with the community for feedback and advice.

We also invite readers of this report to let us know their reaction to this package of reforms and their comments on what we might have missed. An address is included in the front of the document for this purpose.

Over the course of 1991 and early 1992, we plan to advise on policies leading to implementation of the wider reforms recommended in Transitions, including an income program for persons with disabilities, a children's benefit, and the advisability of an income supplementation program for the working poor. We expect that there will be further discussion to provide a focus for debate on some of these issues.

Like the Social Assistance Review Committee, we recognize that reforming the social assistance system will not eliminate poverty. Therefore, we intend to advise the Minister on broader social and economic issues that have an impact on poverty in Ontario.

We are not a permanent advisory group, however. Our task focuses on making the transformation proposed in Transitions a reality. We plan to have completed our work in 1992.

Implementation

The goals we have set for the short-term reforms in this report will only be fully achieved if the government implements the report. Action on these reforms will send an important signal to people in the system and to the people of the province that there is movement toward a better system.

Once the government has made a decision on implementation of this report, we see a role for the Advisory Group in monitoring and follow-up. We hope to report later in 1991 on the progress made in implementing the short-term reforms approved by the government. We plan to make further progress reports on implementation to the Minister in 1992.

First Nations Communities

The process of arriving at recommendations on issues related to social assistance for First Nations communities is being treated differently because of the special relationship between governments in Canada and aboriginal peoples.

The First Nations communities project team, with representation from First Nations communities, is making a set of recommendations both for the short and the longer term. The team is also conducting consultations with aboriginal organizations and communities.

The project team's first report – which is endorsed by the Advisory Group – accompanies this report. We have highlighted some specific issues raised in the team's report in Chapter 10 of Back on Track. In addition, there are many other actions throughout Back on Track that will benefit people in First Nations communities who receive social assistance.

The Report

We are sensitive to the impression that some of the items in this report may seem narrow or limited, viewed in isolation. But together they represent significant change for the system. It is indicative of their importance that the package as a whole will cost approximately $450 million annually, according to estimates based on data made available by the Ministry of Community and Social Services.

For a government coping with economic recession, that is no small matter. However, the benefits of proceeding with reform are also substantial. In our view, it is more costly in both social and economic terms to leave the system in its present state. Institutionalized unfairness undermines our social fabric. Failure to improve the way the system operates so that it can help people regain their independence means that many people will have to rely on public support when they could become self-sufficient.

Throughout the report, we have included a cost estimate for implementation of our action items, where relevant. We have examined the data. In the case of changes in benefits and staffing costs, we are satisfied that the cost estimates are reasonably accurate because they are based on existing and projected caseloads. However, there are many changes in conditions of eligibility in this report, and the cost estimates for these are less firm because they are based on assumptions about what people may do.

The report begins with a discussion of our goals for short-term reforms and the criteria that we used in selecting what would be in this package. Next, there is a chapter on what social assistance is and who is receiving it, and what some of the pressures on the system are. Chapters 4 through 9 cover the short-term reforms we recommend in the areas of Benefits, Delivery, Empowerment and Education, Eligibility, Job Search and Work Incentives and Rights.

Chapter 10 discusses specific issues of concern to First Nations communities. Chapter 11 deals with necessary changes to other programs that affect or are affected by social assistance. Chapter 12 deals with the impact on human resources and Chapter 13 focuses on issues involved in cost-sharing between the provincial government and municipalities. Chapter 14 looks ahead to some of the legislative changes that are needed and Chapter 15 includes a brief discussion of comprehensive reform. The final chapter talks about financial implications of reform and what we believe we have achieved in this first-stage report.

We must emphasize that this report does not provide the answers to all the problems in the system. We realize that we have not yet solved the issue of adequacy, which is the single most important issue. Until social assistance provides people with an adequate standard of living, we have failed the people who depend on the system.

Beyond social assistance reform, there is the wider issue of poverty in our society. Even if social assistance is transformed to be the kind of system we envision, we will still not have beaten poverty. Addressing poverty requires a much broader and more comprehensive approach to social and economic reform – one that encompasses not only employment and workforce strategies, but housing policies, child care services, tax policy, educational policies and a host of others.

CHAPTER 2: GOALS FOR SHORT-TERM REFORMS

In developing our action items for short-term reform, we have been guided by the overall objective and operating principles contained in Transitions. We are endeavouring to pursue the objective articulated by the Social Assistance Review Committee that:

> All people in Ontario are entitled to an equal assurance of life opportunities in a society that is based on fairness, shared responsibility, and personal dignity for all. The objective for social assistance therefore must be to ensure that individuals are able to make the transition from dependence to autonomy, and from exclusion on the margins of society to integration within the mainstream of community life.[3]

Many of the issues discussed in this report are documented in Transitions. SARC recommended that a report be published annually to show what progress had been made on its recommendations. We view this as the first report to update and build on the work of the review committee to ensure that its reform agenda is implemented.

Goals of Short-Term Reforms

Within the overall objective set by the Social Assistance Review Committee, this Advisory Group set some goals for this stage of social assistance reform. By moving quickly on issues that can be addressed by regulation or government policy directive, rather than waiting until new legislation can be passed, we hope to accomplish the following:

- responding to immediate need;
- re-energizing the momentum for reform and assuring those who are committed to reform that it is going to happen;
- avoiding the dislocation that would occur in the system if all the changes were left until new legislation could be enacted;
- keeping the system primed for reform by making changes now rather than later;

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[3] Social Assistance Review Committee, *Transitions*, p. 8.

- keeping in touch with communities by reporting to the Minister and the public on progress; and

- moving towards a new and open relationship with people who receive social assistance.

As much as we would have liked to expedite some issues that required legislative change, we recognize that the process of developing and enacting the comprehensive new legislation that is needed takes additional time. In some cases, where we determined that a matter could not be resolved in the short term, we have called for action to get work underway to ensure that resolution is achieved as soon as is practical. All these matters must be addressed before proposed legislation is tabled in the Legislature.

In considering what changes should be made on the fast track, we referred to certain key criteria:

- First and foremost, these reforms should, wherever possible, serve to remove hardship for people who receive social assistance or who have historically been denied assistance. They should make people's lives better.

- These changes should move the system in the direction of making need the sole criterion for providing assistance.

- These reforms should make the system fairer and more accessible, so that assistance is not denied or reduced on arbitrary grounds.

- The system should become less complex and more consistent.

- The system should become more understandable to those who use it, to those who work in it and to the public at large.

- The changes should be cost-effective, that is, they should contribute to making the system work better for the dollars put into it.

- The system should focus primarily on serving the needs of the recipient, rather than forcing the recipient to meet the demands of the system.

- These changes should help to free the overloaded front-line worker from unnecessary administrative practices so that he or she can work more constructively with recipients.

- Barriers to individual autonomy should be removed to encourage the transition to the mainstream of community life.

- These reforms should move in the direction of an integrated social assistance system which combines the General Welfare Assistance Act (GWA) and the Family Benefits Act (FBA).

- They should be implementable in the short term, that is, before the introduction of new social assistance legislation.

CHAPTER 3: THE SOCIAL ASSISTANCE SYSTEM

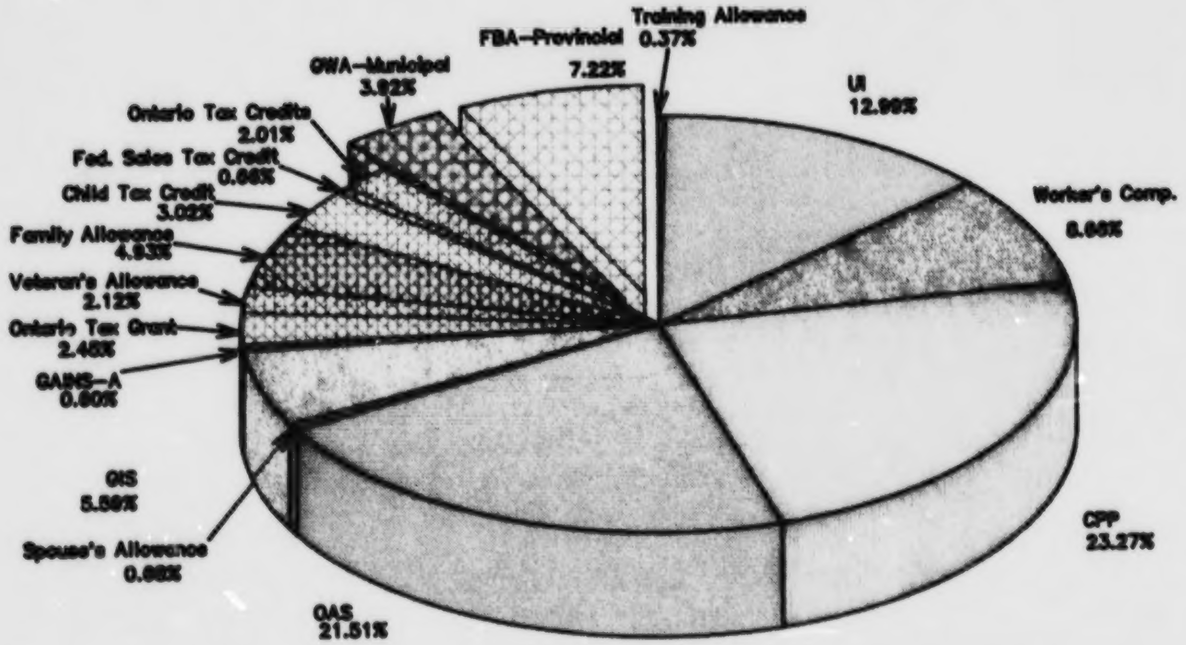
Transitions pointed out that social assistance is one of the least understood government programs. More than three-quarters of a million people in Ontario depend on social assistance for income support. Yet there is much misunderstanding about who these people are, why they need assistance and how long they rely on it. This chapter provides a brief sketch of social assistance in Ontario and its place in the income security system in Canada. We also discuss some of the economic and social conditions that have a profound impact on social assistance.

Income Security

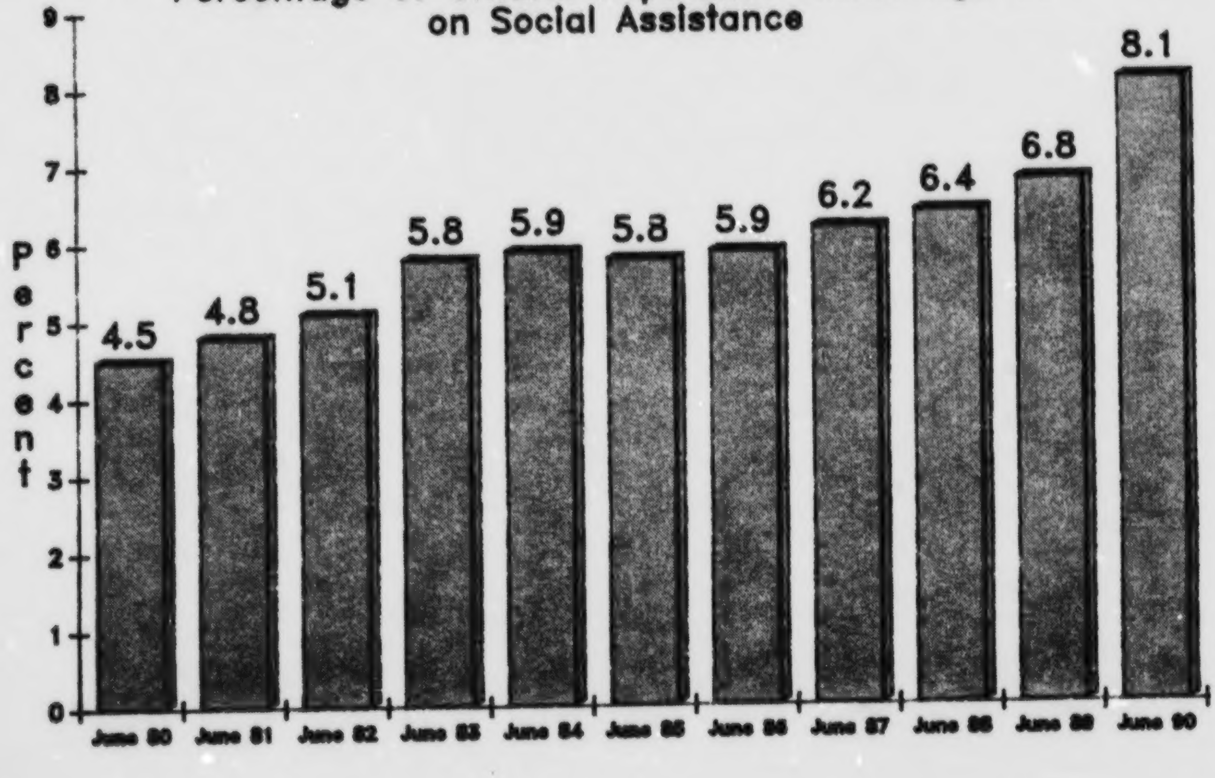
Social assistance is a smaller part of the overall income security system in this country than many people believe. Significantly, however, social assistance is the income support program of last resort. It is the program that is supposed to meet people's needs when all the other programs fail to do so.

The position of social assistance relative to other income security programs is illustrated in Chart 1 on the next page. It shows the distribution of $18,663,000,000 in cash transfers to Ontario residents in 1988-89. Old age security and Canada Pension together represented 45 per cent of the total. Unemployment insurance represented another 13 per cent. Only slightly over 11 per cent went to social assistance – 7.2 per cent for Family Benefits (FBA) and 3.9 per cent for General Welfare Assistance (GWA).

What happens in other income security and social support programs can have a major impact on social assistance. Since 1969, for example, the number of elderly on social assistance has declined from 19 per cent of the caseload on FBA to about one per cent because of introduction of the guaranteed income supplement, improvements to old age security and addition of a provincial supplement for the aged. In 1972, improvements to the unemployment insurance program caused a decline in the number of employable people who needed social assistance. Successive tightening of restrictions on unemployment insurance throughout the 1980s and in 1990 is expected to result in more employable people on social assistance because they cannot get unemployment insurance.



CASH TRANSFERS TO ONTARIO RESIDENTS (POP. 9.4 Million)
1988-89 TOTAL = $18,663,000,000



Percentage of Ontario Population Under Age 60 on Social Assistance

The Social Assistance Caseload

Expenditures on social assistance may appear small compared to other programs, but they still amount to about $3 billion annually. And the number of people who are receiving assistance, both in sheer numbers and as a percentage of the total population of Ontario is growing. Chart 2 on the previous page shows that in June, 1980, the percentage of the total population under age 60 who were on assistance was 4.5 per cent, and that by June, 1990, the percentage was 8.1 per cent.

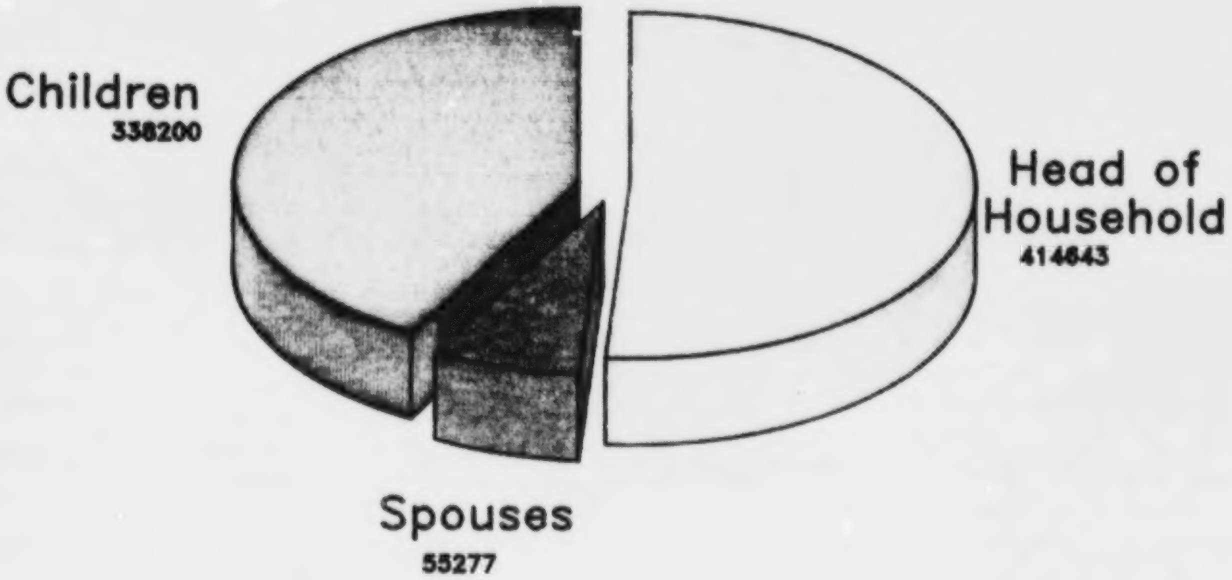
More than one in seven children in Ontario now depends on social assistance for their basic needs. Transitions reported that there were 205,000 children receiving assistance as of September, 1987. As of December, 1990, as shown in Chart 3 on the next page, there were 338,200 children who were beneficiaries of social assistance. These children represent about 42 per cent of all beneficiaries of the system. The increase alone in the number of children on social assistance since 1987 is 133,200 – enough children to fill the Metro Toronto SkyDome more than twice.

There are a variety of reasons why people need social assistance. Chart 4 on the following page shows a broad breakdown of the caseload (a case may be a single individual or a whole family; the case corresponds to the person who receives the social assistance cheque). As of December, 1990, over 23 per cent of recipients were persons with disabilities; 29 per cent were sole support parents; almost 25 per cent were unemployed persons; about 7 per cent suffered ill health and the remainder depended on social assistance for a variety of other reasons.

Generally, most of the unemployed people are on the GWA program because it is supposed to be for short-term cases, although a small proportion (about five per cent) of recipients stay on it for over two years. Persons with disabilities and sole support parents generally receive FBA, although they usually start off in the GWA program and then are transferred to the longer-term FBA program. GWA is mainly delivered by municipalities and First Nations communities and FBA is mainly delivered by the provincial government.

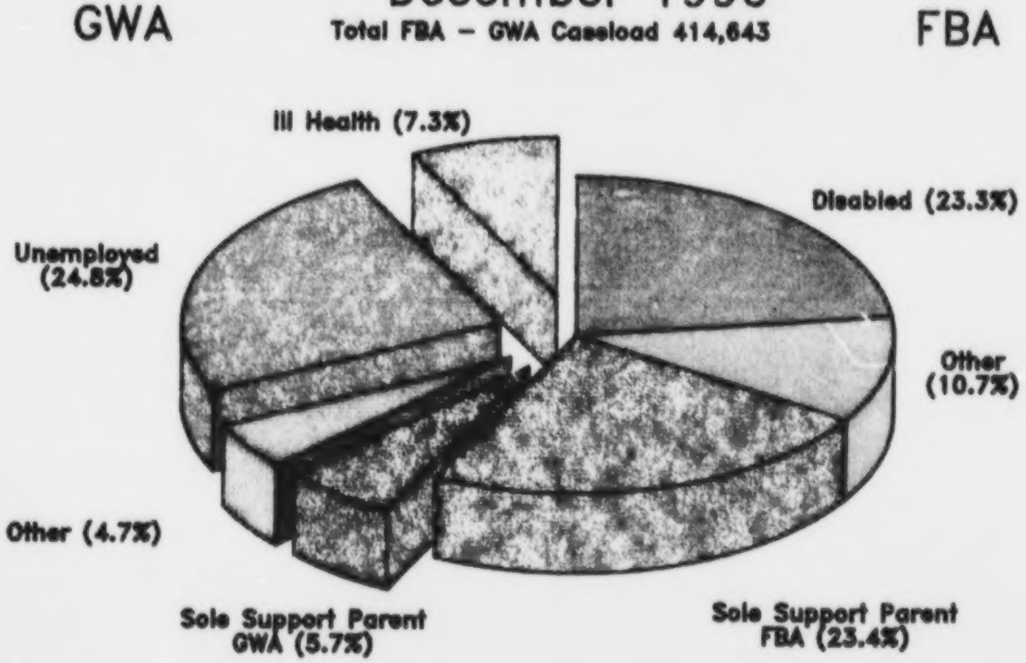
For most people, social assistance is a temporary income support program at a time of crisis in their lives. For example, about 56 per cent of people receiving general welfare assistance stay three months or less on

Social Assistance Beneficiaries
December 1990



Reason for Being on Assistance
December 1990

Total FBA – GWA Caseload 414,643



GWA. As Transitions noted, there is a great deal of turnover in the system, even among the longer-term recipients on FBA.

As this report is being written, the social assistance caseload is increasing dramatically because of the impact of the current economic recession. But it is significant that the caseload has been growing over the past decade, even during a period of sustained economic growth since the 1982 recession.

Growth Factors

The numbers of people on social assistance that burgeoned in the last recession have never returned to pre-1982 levels. Chart 5 on the next page shows the caseload patterns. The Ontario economy has been going through a period of restructuring caused largely by increased international competition and the impact of new technologies on the workplace. Current national monetary and fiscal policy supporting high interest rates and a high dollar has combined with the effects of the Canada-U.S. free trade agreement in a way that has hit Ontario particularly hard.

Partly as a result of these factors, the nature of many jobs is changing. The Economic Council of Canada, in its report Good Jobs Bad Jobs,[4] highlighted the growing polarization between the highly-skilled, well paid employment sector and low-wage, low-skill jobs. People without much education or job skills and older workers whose skills have become obsolescent in the marketplace are experiencing longer periods of unemployment and are unemployed more frequently because they cannot find a secure job.

Many of the jobs that are being lost through restructuring are gone for good. Some traditional industries are being phased out, and some jobs in surviving industries are being displaced. Many workers can find only part-time or seasonal work, and even those with full-time jobs are subject to sporadic layoffs.

Workers who cannot qualify for unemployment insurance or whose insurance benefits are exhausted because of the length of time they have been out of work must turn to social assistance. Even workers who have reasonably steady employment, but who earn only the Ontario minimum wage, are often eligible for social assistance, particularly since the minimum wage has declined by more than 20 per cent in real terms over the past decade.

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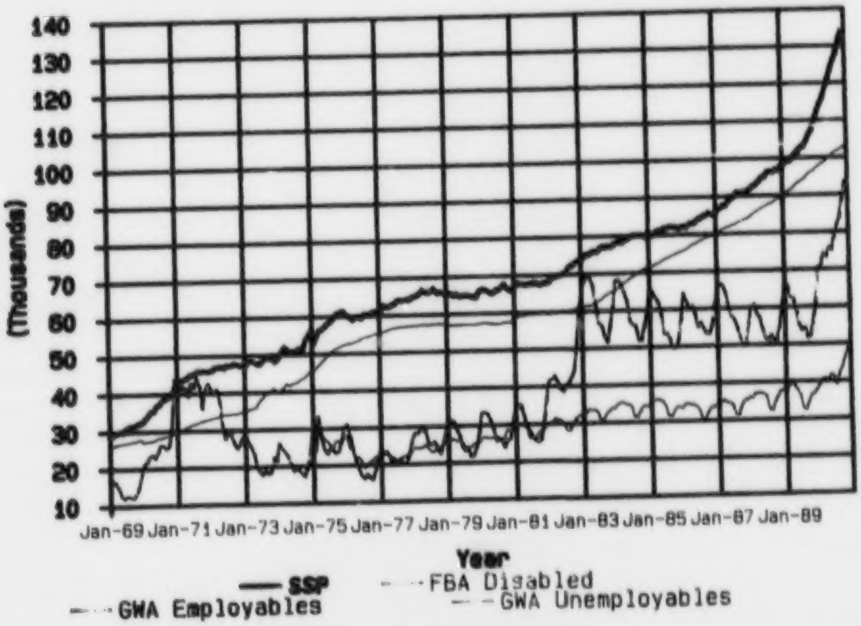
[4] Economic Council of Canada, *Good Jobs Bad Jobs, Employment in the Service Economy* (Ottawa: Ministry of Supply and Services, 1990).

When jobs are few, opportunities for people who do not fit the traditional mould as easily as the majority are even fewer. That includes displaced older workers, ethnic minorities and native people. Persons with disabilities are particularly disadvantaged when services are cut back. For example, a physically disabled person may lose a job because the special transit service that takes him or her to work is not sufficiently flexible.

The social assistance caseload has also been affected by changes in the social as well as the economic environment. Examples include the incidence of family breakdown, the likelihood that single mothers will keep

FBA and GWA Major Caseload Components



their babies and the number of women fleeing abusive relationships. The rate of increase in the number of single parents on social assistance almost doubled in the 1982-90 period, compared to the previous eight-year period.

Other factors that have had an impact on caseloads include the costs of transportation and child care which mean that some people can't afford to go to work, and the influx of refugee claimants awaiting federal work permits. Government policies, such as moving many people with psychiatric and developmental disabilities from large institutions into residence in the community, have also had an important impact. Many of these people who now live in the community depend on social assistance.

The Recession

Now that the economy is in recession, the social assistance system is under even greater pressure. The number of people depending on social assistance has increased by 31 per cent over the past year. Numbers are expected to continue to rise in 1991 as the impact of the recession grows.

Those who deliver the program are all but overwhelmed by the demand for service; there is little or no time to spend with people who need counselling or other attention when there are lineups of other people waiting to have their applications for assistance approved. Municipalities, which cost-share GWA, are being hit with skyrocketing general welfare expenditures, and those which are the hardest-hit tend to be those least able to carry the additional financial burden.

In addition, the federal government has exacerbated the financial burden for its cost-sharing partners in Ontario (cost sharing of social assistance is generally 50 per cent federal) by putting a five per cent cap on the annual increase to its contribution under the Canada Assistance Plan. Ontario has joined other provinces in a challenge of this federal retrenchment in the Supreme Court of Canada. A decision is imminent.

Adequacy

Transitions documented five principal problem areas in the social assistance system: insufficient incomes, complexity of the system, disparities in service, lack of support mechanisms, and lack of program coordination. In subsequent chapters of this report, our recommendations for short-term reforms address a number of issues related to these five points. However, the major problem of adequacy remains.

Ontario has the highest rates in Canada for social assistance, but it also has the highest cost of living. The amount paid to recipients is still inadequate to allow people to meet their basic needs for shelter, food, clothing and personal and health care.

One of the important factors affecting adequacy is the cost of shelter. There have been enormous increases in the costs of housing in the 1980s, and these increased costs have been reflected in the rents paid by people who receive social assistance. Contrary to what the public may believe, only about one-sixth of people who receive social assistance live in public housing projects. They have to pay commercial rents like other tenants.

In spite of increases in shelter allowances, many social assistance recipients are finding it difficult to pay for all their other needs in addition to rent. Often there is not enough money for food. The proliferation of food programs – there are more agencies distributing food in Metro Toronto than McDonald's fast-food outlets [6] – attests to the difficulty many families have in making ends meet.

The number of food programs across Ontario is but one indication of the general failure of our social support system to keep people out of poverty. In every major urban centre, there are homeless people living on the streets.

People living on social assistance are not the only poor people in our society. The majority of people living below the poverty line are the working poor. But social assistance tends to be the main government program that is used to provide both emergency and ongoing assistance to the poor.

The inadequacy of the benefits provided by the social assistance system is hard on all recipients, but it has its most serious impact on children, whose life opportunities may be reduced by growing up in poverty. Children of the poor tend to be labelled as having low educational and career potential, based not on their personal attributes but on the socio-economic status of their parents.

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[6] Armine Yalnizyan, *Reflections on Full Employment: Toronto in the late 1980s*, prepared by the Social Planning Council of Metropolitan Toronto for a conference on Canadian political economy in the era of free trade, Carleton University, Ottawa, April,1990.

There are also serious economic implications in marginalizing a whole sector of the population in poverty. Demographic trends indicate that the province faces a labour shortage in the longer term. If we fail to provide opportunities for training and development to young people and adults who are disadvantaged, Ontario may end up without the skilled and productive workforce it needs to compete in the global economy and to pay for the social services we all take for granted.

CHAPTER 4: BENEFITS

"People are still struggling in poverty. Something needs to be done."

John Southern, Income Maintenance for the
Handicapped Coordinating Group

In this chapter, we address such issues as special necessities and personal needs allowances that affect the adequacy of support provided to people who receive social assistance. However, as we noted in Chapter 1, we are aware that these initiatives do not address the issue of the adequacy of rates – an issue that overshadows all others in importance for the well-being of people who live on social assistance.

The Advisory Group is encouraged that the new Minister took action shortly after assuming office to respond to the needs of people receiving social assistance by raising basic and shelter allowances effective January 1, 1991 above the levels promised in the 1990 provincial budget. However, there is still a long way to go to bring rates to a level where they are adequate to meet real needs.

We also deal in this chapter with a number of matters related to fairness – treating individuals with comparable need in the same way, for example. It is essential to establish greater fairness and equity to ensure that when benefits go up, the increases do not further entrench the hierarchy of deservedness imposed by the present system.

In addition, we have recommended elimination of some of the unnecessary complexity in administration.

Special Necessities

A major step toward improving the quality of life for people who receive social assistance can be made by defining those special needs that are in reality necessities and making them mandatory throughout the system. People who need something as essential as a wheelchair should not have go to a service club to ask for one. Parents living on social assistance should not be put in the position, as they often are now, of having to choose between buying food for their children and buying medical supplies.

Special necessities are, by definition, not frills. They are items that become essential when the need arises. However, most special necessities are not mandatory under GWA. Under FBA, there are some special needs covered, but by no means all. The inclusion or exclusion of an item as a mandatory benefit under Family Benefits does not follow any discernible logic. For example, special diets are mandatory under FBA, but necessary dressings and gastro-urinary supplies are not.

When programs are discretionary, there is always the danger that some people will not get any assistance at all. There is also the danger that in hard economic times municipalities that normally provide such items will be forced to cut back because of budget constraints.

Transitions recommended that when a special need is a prerequisite to meeting an individual's basic needs, it should be considered a mandatory benefit. There will still be some items which are desirable, but which are not necessities, and these may be funded on a discretionary basis.

The Ministry should draw up a list of mandatory items to be covered at their actual cost and include them in GWA and FBA regulations. We reviewed the list of necessities compiled in Transitions and we suggest the following major categories of need, with some examples. The list is not intended to be all-inclusive:

- needs related to food, clothing, shelter and personal requirements (for example, first and last month's rent, fuel deposits, special clothing, basic appliances, home repairs and special transportation costs);
- emergency items (for example, emergency transportation);
- medical requirements (for example, dentures, wheelchairs, gastro-urinary and respiratory supplies and bandages);
- expenditures that are required by law (for example, funeral and burial expenses).

We recognize that work is required to establish the list of mandatory items in detail. We ask that the Minister make a commitment to acting on this matter as soon as possible. In the short term, the delivery of these mandatory items should continue to be carried out by the same agencies that deliver them now. The impact on provincial-municipal cost-sharing is described in Chapter 13.

Action 1:

The Minister should make a commitment to making special necessities mandatory benefits for people receiving social assistance. A list of special necessities should be included in the GWA and FBA regulations.

Dental Care

Basic coverage for dental care is provided under FBA to people with disabilities and all children, but single parents and others, such as elderly persons, are restricted to emergency dental work. They may apply for Supplementary Aid to cover items not included in emergency care. People who receive GWA may get dental care under Special Assistance. Some municipalities purchase contracts for dental care for GWA recipients.

Sole-support parents and others should not be penalized by being denied basic dental care. Being given only emergency care means that they receive no preventive dental care, usually only relief from pain. In addition, basic-level care should be provided for all people who receive GWA. Basic level care should be considered mandatory, as a special necessity. In the short term, the delivery of basic dental services should continue to be carried out by the same agencies that deliver them now. It is estimated that this action will cost the province $12.8 million for FBA and $23.3 million for GWA. Municipalities should pay about $1.7 million less because of the impact on cost-sharing.

Action 2:

Basic dental care should be extended under FBA to single parents and others. Basic dental care for GWA recipients should be included as a mandatory special necessity under GWA regulations.

Supplementary Aid/Special Assistance

Supplementary Aid and Special Assistance are two programs that provide special items. People receiving FBA can get special items through Supplementary Aid; people on GWA can get them through Special Assistance. However, both programs are discretionary, and are applied inconsistently across the province. These programs are cost-shared with municipalities and administered by municipalities, and the benefits provided vary widely.

Here we address the variation in needs tests. Currently, there is no formal needs test for Supplementary Aid; there is a needs test for Special Assistance, but a municipality may or may not use it to determine need. Although municipalities should have some discretion to determine need according to community standards, there are significant differences across the province that are not justifiable. For example, one municipality may allow a certain amount for shelter, and another may allow a much lower amount without regard for real shelter costs in their respective communities.

To compound the issue, in some municipalities these benefits are simply not paid at all, regardless of need. Others offer partial payment, but if the person on social assistance cannot save or raise the rest from other sources, the item cannot be purchased.

Needs tests should be standardized and consistently applied across the province. We recommend that MCSS issue a guideline setting standards for the needs test. We realize that this guideline would not have the effect of law; that is, the programs would remain discretionary and those municipalities that chose not to fund them could continue not to do so. However, we believe a guideline from the Ministry would have considerable impact because it would show provincial leadership on the issue. In the longer term when new legislation is enacted, we will recommend that a standardized system of delivery of these programs across the province be required by law.

Action 3:

Needs tests for Supplementary Aid and Special Assistance should be standardized and consistently applied across the province.

Personal Needs Allowances

For many people who depend on social assistance and who live in some kind of institutional residence, the personal needs allowance can make a big difference in their quality of life. However, there are serious problems with the payment – or non-payment – of the personal needs allowance.

In some institutions, residents do not receive it at all because the institution in which they reside does not provide a personal needs allowance. Examples are adults in Children's Mental Health Centres, group homes under the Developmental Services Act and certain institutions under the Mental Health Act.

Some people do not receive the allowance at all for a different reason. The allowance is considered by many municipalities to be a discretionary item and some municipalities do not provide it or only provide a partial payment. Still others pay this allowance in the form of goods and services.

A third problem is that the allowance is inadequate. The amount of the allowance has not been increased since 1987. For many people in institutions, the personal needs allowance is the only spending money they have.

In addition, the rates are not the same for everyone. Persons with disabilities receive $100 a month. There is also a personal needs allowance that goes to elderly persons in institutions under the GAINS for the aged program. Elderly people in institutions receive $12 a month more.

The rates for personal needs allowances should be standardized so that there is no differentiation based on whether the person is elderly or disabled. We recommend to the Minister that regulations and guidelines under GWA and FBA be changed to raise the personal needs allowance for people in institutions to $135. We would also like to see a corresponding change in the provincial GAINS for the aged program so that the allowance for elderly persons is the same.

Another problem related to personal needs allowances relates to recovery of previous overpayments. We are aware of instances where an individual has received an overpayment in his or her allowance, and before the overpayment has been recovered, the person has been admitted to a residential institution. Since the only payment the individual receives in the institution is the personal needs allowance, the overpayment has been deducted on a monthly basis from that meagre amount.

The personal needs allowance is little enough without being reduced by recovery of a previous overpayment. The Ministry of Community and Social Services should adopt a policy making it clear that overpayments should not be deducted from a recipient's personal needs allowance.

We wish to emphasize that this allowance is for the benefit of those who receive it. We are concerned that there is such inequity between people in different institutions. But we are also disturbed by reports that some people who do get the allowance are having to spend it on such items as soap because the institution does not provide it without charge.

We are also aware of a practical problem in paying a personal needs allowance to people who stay only a short time in an emergency shelter or hostel. We would like as many people who are eligible for the allowance to receive it on a pro-rated basis for the time they spend in a shelter or hostel. But we are conscious of the problem of locating someone who may only stay for a few days. There are people, for example, who may be moved from one kind of shelter to another. There are also people who live part of the time on the street and who use shelters intermittently but consistently. In the longer term, it should be possible to have a tracking system so that the allowance follows people wherever they are.

These proposed changes in the personal needs allowance for people in institutions and hostels will cost the province an estimated $11.3 million annually and municipalities $1.2 million.

Action:

4.1 There should be a commitment to extending the personal needs allowance in GWA and FBA to all people in need in institutions and hostels. People should not be denied this allowance based on the category of institution.

4.2 The personal needs allowance should clearly be made an item of general assistance for those who receive it under GWA. This way, there will no longer be any local discretion as to whether the allowance is paid or not.

4.3 Regulations and guidelines under FBA and GWA should be amended to raise the personal needs allowance to $135 a month from $100.

4.4 The Ministry of Community and Social Services should adopt a policy that previous overpayments should not be deducted from a recipient's personal needs allowance.

Personal Needs of Boarders

Boarders should be eligible for the same personal needs allowance as persons in institutions. Currently, there is no provision for personal needs for people living in boarding houses. Boarders are paid a special rate because their food and lodging costs are blended. Therefore, they do not get the shelter allowance that renters or owners receive. This has meant in practice that boarders have not had the benefit of recent improvements in the shelter subsidies that have been higher than the increases in basic rates. Boarders, many of whom are persons with disabilities, have been falling farther and farther behind.

We have asked the Benefit Structure project team to examine how to disentangle the boarding rate to ensure that it explicitly and adequately covers the needs of people for food, lodging, clothing and other personal needs. In the interim, however, boarders should receive a personal needs allowance. People should not be disadvantaged based on where they live. For the province, the cost estimate for this action is $67.4 for people receiving FBA and $17.6 million for people receiving GWA. The cost to municipalities for GWA is estimated to be $4.4 million.

Action 5:

Boarders should be eligible for a mandatory personal needs allowance of $135 monthly.

Profit or Non-Profit Accommodation for Boarders

There is a difference in the allowance structure for boarders who live with relatives or friends and those who live in "market" accommodation. The distinction seems to be premised on the assumption that costs will be lower for the person living with family and friends. However, what happens in practice is that the standard of living of the whole household is sometimes lowered because the boarder, who is often disabled, is receiving inadequate assistance for shelter, and the other occupants must carry a heavier financial load. Eliminating this distinction will cost the province an estimated $14.4 million and municipalities $0.8 million.

Action 6:

The distinction between profit and non-profit boarding rates should be abolished and the allowances equalized at the for-profit rate.

Employable Rate vs. Unemployable Rate

There is also a distinction in the rates paid to single employable and temporarily unemployable persons under GWA. Single employable persons who are boarders receive $9 a month less than persons classified as temporarily unemployable; the monthly difference is $8 if the person rents accommodation. For an individual, the dollar amount may not be very much, but the message conveyed is that some people should receive more support than others regardless of their needs. It reflects an inappropriate differentiation between the deserving and the undeserving poor. Abolishing the distinction will also eliminate an unnecessary category under GWA, which is a move in the right direction. Cost estimate for closing the gap is $7.7 million for the province and $1.9 million for municipalities.

Action 7:

The rate distinction between single employable and temporarily unemployable people under GWA should be abolished.

Support During Hospital Stays

People who go into hospital often have their allowance cut off or reduced. Current policy permits a reduction in the allowance for single individuals after a person has been in hospital for a month. In many cases, this causes unnecessary strain on recipients who can be in the position of losing their accommodation because they have been cut off assistance; when they get better, they no longer have a home.

Allowances for all adults and children should be continued for three months under both GWA and FBA to parallel the three months already given to families under FBA, and criteria should be established for review following the three-month period. During the review, the onus should be on the delivery agent to provide reasons for termination of the allowance, rather than requiring the recipient to prove the need to maintain eligibility. The Ministry may also wish to consider a longer period, such as six months, for people in psychiatric hospitals to help them return to the community when they are able. The cost of this item is expected to be minor.

Action 8:

While in hospital, people on social assistance should continue to receive their full allowances for at least three months, with provision for an extension if appropriate.

Victims of Family Violence

Women who have fled a violent situation at home often find themselves ineligible for assistance because when they leave, they are deemed to have access to family assets. According to GWA guidelines, in cases where a sponsored immigrant is abused, the sponsorship agreement is deemed to be broken and the woman is eligible for assistance. The same protection should be afforded any victim of family violence.

A battered woman who has fled the home and who is in need should be granted assistance for three months. This period allows a woman who has fled an abusive situation to establish her standing as a single person. However, in case three months is not long enough, there should also be provision for an extension based on individual circumstances. The onus should be on the welfare administrator to show that an extension is not warranted. Estimated cost of this action is $1.4 million for the provincial government and $0.4 million for municipal government.

Action 9:

A battered woman who has fled the home and who is in need should be granted social assistance for three months. Extensions should be allowed based on individual circumstances.

CHAPTER 5: DELIVERY

"Systems don't have integrity – people do."
Ray Lazanik, Metro Toronto Social Services

This section deals with several major delivery issues, including how the complexity of the application process can be reduced through self-declaration by clients, and what initiatives may be taken to improve the speed with which people are seen by a worker and their eligibility determined. We recommend measures to simplify procedures, reduce unnecessary intrusiveness into clients' personal lives, and improve service and accessibility.

Pilot Self-Declaration

Applying for assistance is the first contact a person makes with the welfare system. It is an understatement to say that for the vast majority this is not a positive experience. Aside from the lineups and lengthy waiting periods that characterize many offices, the application process itself is too complicated and too intrusive. Application forms are complex and demand an enormous amount of information, much of it unnecessary and repetitive.

Part of the reason for backlogs in the system is the amount of paperwork required just to process one application. Not only must mountains of information be provided, but that information must then be verified and cross-checked by workers. This cumbersome process represents an enormous waste of energy and resources.

Transitions said the system should be based on the premise that the applicant is eligible for assistance, and that the applicant's declaration of need should be accepted, in the absence of any contradictory information. A new, less complex application form should be developed that elicits the necessary information to determine eligibility.

However, we recognize that instituting a new application system across the province is not a short-term undertaking. Therefore, we recommend that pilot projects be introduced to start the move towards a self-declaration system and to obtain some much-needed experience in how self-declaration would work in practice.

We caution that self-declaration does not mean that people will be able to write anything down on an application and get assistance. What it means is that the system should be modelled on the same self-declaration principle that is used in so many other systems. For example, the income tax system involves a self-declaration process. Certain information, such as receipts, must be attached to the form, and the person filling out the form is responsible for providing accurate information. The individual signs a declaration stating that the information is correct. There is an auditing function that ensures that a certain number of tax forms are checked every year to control for fraud.

We see no reason why the social assistance system cannot be run on the same basis. The application form should be simplified so that the minimum necessary information is elicited from the applicant. An audit system with regular, random spot checks should be instituted. However, recognizing that it is unrealistic to expect the system to make such a massive procedural change quickly, we would invite municipalities and First Nations communities that deliver GWA to make proposals to participate in pilot projects in self-declaration. There should be a number of pilots in different areas of the province, both urban and rural. Development of a sample application form that elicits the minimum amount of required information in an understandable way should be part of the demonstration projects. The pilots should also involve recipients and local groups representing recipients in developing these projects.

We expect that these pilot projects will demonstrate that self-declaration improves the system for clients, who will obtain general welfare assistance faster because the system will be less burdened by paperwork. People seeking assistance should feel less intimidated by a process that is less invasive and that gives them more personal responsibility. We expect the pilots will show that self-declaration also makes the system run more efficiently and effectively. Workers should have more time to work with people on assistance to help meet their needs.

In areas where a pilot project is introduced, it is important that the MCSS Area Office cooperate with the new self-declaration system to ensure that the application process for FBA is also simplified and expedited so that there is an orderly and rapid transfer of eligible GWA recipients to FBA. The cost of these pilot projects is expected to be minor.

Action 10:

Municipalities and First Nations communities should be invited to make proposals to participate in pilot projects in self-declaration. There should be several pilots in different areas of the province, both urban and rural. Area Offices of the Ministry of Community and Social Services should work with the pilot projects to ensure that the application process for FBA is also simplified and expedited.

Home Visits

When a person applies for assistance, there is supposed to be a home visit to assess eligibility. In areas where caseload pressures are particularly difficult, the welfare offices no longer make home visits because workers do not have the time. But the requirement is still on the books.

We consider these visits to be unduly intrusive unless they are done at the request of the recipient. The visits were instituted in part as a policing mechanism, and they are considered by many people to be a demeaning inspection of their home life. In addition, the visits take up an inordinate amount of workers' time.

Home visits should no longer be required. In most instances, applicants should be asked to come to the office to make their application by appointment. There may be some people who are disabled or who have no means of transportation or who would simply prefer a home visit. We do not wish the abolition of the home visit rule to be an excuse for a lower level of service. Therefore, home visits should only be conducted on request.

We understand that many offices are not equipped to see every applicant in the office when caseloads are increasing. Rather than hold off on this regulatory change, however, we suggest that municipalities be encouraged to build on innovative strategies currently being implemented to cope with space shortages. Municipalities might take applications at satellite offices, or borrow space in other public buildings at least until the economy recovers. With most people seen by appointment, there would have to be provision for emergency drop-in service. We believe that municipalities will find innovative solutions.

Action 11:

The requirement for a home visit should be abolished. Home visits should only be made at the request of an applicant or recipient.

Standards for Service

Pilot projects in self-declaration and the abolition of the requirement for home visits will help to improve service response times in GWA offices. But more still needs to be done. We have heard of situations where people seeking help from GWA offices have been told that it will be 10 days until a worker is available to take their application. This is unacceptable. There should be a province-wide standard for service response. This standard should ensure that the person seeking assistance is not forced to wait an unreasonable period of time before being told whether or not assistance will be provided. In addition, where eligibility has been established, payment should be calculated from the date of application.

In recommending this standard of service, we recognize that it is a major undertaking, particularly for rural and remote areas where welfare offices are routinely only open on a part-time basis, at certain times of the week. However, we believe that because social assistance is a program of last resort, it must be able to help people quickly. The government has said that it wants to eliminate the need for food banks. One of the reasons that some people must resort to food programs is because in a crisis situation, the system cannot react swiftly enough.

Clearly, this action has both staffing and financial implications. In Chapters 12 and 13, we discuss the issues of staffing and cost-sharing to enable this standard to be met.

Action 12:

People seeking assistance from GWA offices should have their applications taken and their eligibility determined within two working days of first contact with a GWA worker. Where eligibility is established, payment should be calculated from the date of application.

Taking Applications

There are some offices where applicants may be told they are not eligible for assistance, based on a conversation with an administrator or staff member, and simply sent away. This is not an acceptable practice. Applications must be taken in all situations in which a person wishes to make one. Without a formal application, the individual may have no grounds on which to challenge rejection, since he or she was never refused in the first place. Many people who ask for assistance are not sure of their rights, and may be intimidated by someone who tells them that they should not bother to apply since they are clearly not eligible.

The rules already state that an application is to be taken; it is a matter of seeing that the rules are followed. This will require an effort to confirm and promote the right to make an application throughout the system.

Action 13:

Applications for social assistance must be taken in all cases. The right to make an application should be confirmed and promoted throughout the system.

Notification of Decision and Appeal

One of the problems that people run into when their application has been rejected or their allowance has been reduced is that they often do not receive a decision in writing. Unless they have a decision in writing, they may have no grounds on which to appeal.

Providing decisions in writing is already in the FBA rules, but not the GWA rules. However, since the problem appears to be relatively widespread, a clear policy should be sent out to administrators and staff affirming that all decisions must be provided in writing, and that the person must be advised in writing of his or her right to appeal. There should also be information provided on how to appeal, since many people do not know what the Social Assistance Review Board is or what it does or that they can have representation at the hearings.

This will not mean a large amount of detailed paperwork. Some offices already use a standard one-page form which allows a worker to fill in the name, tick off the decision made from a list, and write in the reason. A standard form such as this could be used across the province. On applying for social assistance, according to our service standard established above, this decision in writing will have to be given within two working days.

Action 14:

A clear policy statement should be distributed throughout the system affirming that all decisions on rejection of an application for assistance or reduction or cancellation of an allowance must be provided in writing. In addition, the person must be advised in writing of his or her right to appeal.

The Backlog Issue

Many people who come into the social assistance system through municipal welfare offices or welfare offices in First Nations communities are eligible for the provincial Family Benefits program. However, the two programs have different sets of rules, and there is a great deal of time and paperwork involved in transferring people from GWA to the provincially-delivered FBA.

People are having to wait far too long for the transfer to take place. When the system is eventually integrated into one, and people don't have to apply to two different programs under different rules, the problem will be diminished. However, in the short term, we believe it is imperative that there be some progress made in reducing delays in the transfer of people who are receiving GWA to the FBA program.

People who are eligible to move on to FBA, which provides higher allowances than GWA, often wait months – sometimes even a year – to have their application for FBA processed and approved. In Metropolitan Toronto, the waiting list for transfer to FBA is approximately 12,000. While these applicants remain on GWA, the cost of paying their allowances continues to be shared by the municipalities. Municipalities pay 20 per cent of GWA, whereas FBA is paid 100 per cent by the province.

Measures must be taken to eliminate the backlog in the system. There must be faster turnaround. People who are eligible for higher allowances under FBA should not have to wait so long to get them, and municipalities should not have to continue to cost-share GWA for those persons who should be on the provincially-funded FBA program.

The paperwork now involved in transferring from one system to the other is considerable. To streamline the process, we recommend revising the FBA regulations stipulating that an applicant who originally applies and is found eligible under an existing FBA eligibility category will be deemed to be eligible for FBA from the date of application for GWA. That is, an application approved for FBA would be backdated to the day the recipient applied for GWA. Currently, it is possible to backdate FBA allowances by four months, but this is a rare practice. Generally, the person starts receiving FBA in the month the application is approved, which may be many months after the person was eligible. This change will result in additional rate increases for recipients amounting to about $20 million.

Second, all people receiving GWA for two consecutive years should be deemed eligible for FBA at the beginning of the 25th month. GWA was designed to be a short-term social assistance program. However, for a variety of reasons, some people stay on it a long time because they are ineligible for FBA. According to current figures, about six per cent of the people receiving GWA have been receiving it for longer than 24 months. About half these people are on GWA because of ill health or age; others include people who are out of work.

Research has shown that if a person is receiving social assistance for more than two years, the likelihood of continuing to do so for a much longer period is fairly high. People who are on GWA should be transferred to the longer-term FBA program once they cross the two-year threshold. They should be deemed eligible by reason of the length of time they have been on GWA. This initiative will not only benefit people who are longer-term recipients of GWA, it will also benefit municipalities which will experience total net savings on these cases of approximately $18.3 million annually. Provincial costs will increase by an estimated $27.7 million.

A third important initiative that we recommend is to increase staffing in FBA offices to handle the backlog of cases. We understand that MCSS recently received approval for a significant increase in staff. We support this initiative.

Lastly, we would like to see more municipalities and provincial offices experimenting with joint intake processes for GWA and FBA. Some areas are doing it now, but there could be more. More municipal and provincial offices should experiment with joint intake to address the backlog problem. These joint intake projects should test ways to make the two processes more congruent in their rules and forms to eliminate unnecessary duplication. We make a specific recommendation on cost-sharing for these projects in Chapter 13.

Action:

15.1 The FBA regulations should be revised so that an applicant who originally applies and is found eligible under an existing FBA eligibility category is deemed to be eligible for FBA from the date of application for GWA.

15.2 All people receiving GWA for two consecutive years should be deemed to be eligible for FBA in the 25th month.

15.3 Staffing in provincial FBA offices should be increased to handle the backlog of applications for the program.

15.4 More municipal and provincial offices should experiment with joint intake processes for GWA and FBA.

Interpretation Services

Ontario is a multicultural society, and language is a critical barrier for some people who come in contact with the system. Applicants must be able to understand what is happening to them, what the process is and what their rights and responsibilities are. Access to trained interpretation services, in a variety of languages, including sign language for persons who are deaf or oral deaf, should be improved if the system is to be accessible to all those who need it.

The Ministry of Community and Social Services should establish a fund to provide more support for services and materials in languages other than English and French. This will be a start toward solving the problem, and it will signal that the system takes seriously the needs of people from different linguistic groups. It should be recognized, however, that providing language services and materials is no substitute for hiring people from different cultural and linguistic groups to work in social assistance administration to help the system deliver services in a culturally appropriate and sensitive manner.

We recommend that the fund for multicultural services and materials be $5 million annually.

Action 16:

The Ministry of Community and Social Services should establish a $5 million annual fund to provide more support for services and materials in languages other than English and French.

Direct Deposit

Many people who receive social assistance cannot get a bank account because they do not have the identification and other particulars required by the banks. There are a number of people on social assistance who go to cheque discounting outlets to get their assistance cheques cashed. That means they lose a significant amount of money to the discounters every month.

Some municipalities help people in receipt of social assistance to get their cheques cashed at a bank, or help them get a bank account and deposit payments directly in the account if the client wishes. Direct deposit is a good way of eliminating the problem of people losing money to cheque discounters. More use of direct deposit will also help administration of the system because a considerable amount of time is spent dealing with lost and stolen cheques.

The client should have a choice about how assistance is delivered, and some people may prefer a cheque. One reason some people receiving social assistance may not want their cheques deposited directly in a bank is that they are afraid the money will be subject to seizure. Recipients should be in a position to make an informed choice about how they wish their money to be handled.

As noted, some municipalities are already doing direct deposit, but the practice is not widespread. There is a working MCSS pilot project in direct deposit in the city of Peterborough. Direct deposit should be used more across the system and across the province. Municipalities working to institute the process should be assisted with funds to cover additional costs, which are expected to be minor.

Action 17:

The practice of directly depositing social assistance payments in a bank account of the recipient's choosing should be encouraged by the Ministry of Community and Social Services in its own offices and municipal offices.

Pay Direct

Under GWA, social assistance payments may be made directly to a third party, against the wishes of a recipient. This often occurs when the person routinely mismanages funds and may be in danger of losing his or her accommodation. However well-intentioned the decision may be in some cases, there is no protection for the recipient against an arbitrary or unfair decision.

The Family Benefits Act prohibits paying an allowance to a third party, with the exception of direct payment to a public housing authority. The issue of paying social assistance dollars to third parties, such as paying rent directly to landlords, has been referred to the Legal Issues and Delivery and Funding project teams. In the interim, however, the same protection given to FBA recipients preventing the redirection of their allowance should be extended to GWA recipients.

Action 18:

People who receive GWA should have the same protection as recipients of FBA against redirection of their social assistance allowance to a third party.

Consolidation

Both Transitions and the Report of the Provincial-Municipal Social Services Review were quite explicit that the level of municipal government that should deliver social assistance should be the upper tier, which in southern Ontario is counties and regions. Currently, all county and regional governments in the south administer GWA, except for three unconsolidated counties: Peterborough, Frontenac and Renfrew. In these counties, the lower-tier cities, towns and townships provide their own welfare services. This means that people living in smaller communities within these jurisdictions may receive only part-time services from part-time welfare offices. Funding for this action has already been allocated.

Action 19:

Unconsolidated counties should begin the process of consolidating for the purposes of administering social assistance.

Northern Districts

In Northern Ontario, there are 10 territorial districts, six of which have District Welfare Administration Boards (DWABs) which deliver GWA for the municipalities in their district except for district cities, such as Thunder Bay or Sault Ste. Marie, which deliver their own. There is one regional government in Sudbury, but the DWAB in Sudbury district is responsible for GWA for the whole district, and contracts with the regional government to deliver the service. The District Municipality of Muskoka operates as a regional government. There are parts of the Northern districts that have no municipal organization whatsoever. MCSS delivers GWA, as well as FBA, in these unorganized areas. First Nations communities also administer GWA.

The District Welfare Administration Boards in the North act like upper-tier municipalities in that they consolidate responsibility for delivery of GWA for most or all of the lower-tier municipalities within their boundaries. In the unconsolidated districts, service is fragmented among many smaller municipalities delivering GWA.

Given that there will be new legislation that integrates GWA and FBA into one social assistance program, it is important that a study be made of what the best delivery system would be in Northern Ontario. Included in this review should be the possibility of consolidating municipal delivery under District Welfare Administration Boards in those districts which do not now have a DWAB. This review should be a cooperative effort by MCSS and municipal organizations.

Action 20:

The Ministry of Community and Social Services and municipal representatives should begin the process of reviewing the role of District Welfare Administration Boards (DWABs), including the issues involved in consolidating service delivery in Northern districts that do not now have a DWAB.

CHAPTER 6: EMPOWERMENT AND EDUCATION

One of our key objectives is development of a new and open relationship between the system and the people who receive social assistance. A major first step in that direction is the creation of a Council of Consumers.

Council of Consumers

We strongly support the proposal by the Social Assistance Review Committee for a Council of Consumers to monitor the social assistance system and provide ongoing, public advice to the government. People who receive social assistance should be given a role in decision-making. The Council should be funded by the government and should have its mandate included in new social assistance legislation.

People who are receiving social assistance or who have received it in the past have a special perspective on the system. They have much to offer, in terms of their own experiences with the operation of the system. People who have lived in the social assistance system have a practical understanding of its impact that is virtually impossible for anyone else to have. They are often passionately concerned about how it is failing their families and friends.

A commitment must be made immediately to establish this Council, and work should get underway to establish its terms of reference and to decide on how representation would be structured. Self-help groups, consumer advocacy and other advocacy groups and the community at large should be asked for their ideas.

The Council of Consumers will work with government and provide advice on how the system adapts to reform. It is important that the Council be in place to monitor not only the pace and direction of reform of policy and legislation, but also the impact of reform in social assistance offices and in the homes of recipients around the province. The Council's perspective and advice should be available to the government as reform takes place.

In order to be representative, we believe that the Council should be elected, and composed of members from locally constituted organizations comprised exclusively of people in receipt of social assistance or people who have been receiving social assistance within one year of their election.

These are important principles if the Council is to give effective voice to consumers. There will also have to be a plan to ensure that there is fair regional representation across the province.

In addition, the government should ensure that regional and local organizations composed of recipients of social assistance receive sufficient funding so that they can contribute to the effectiveness of the Council by providing the provincial body with information and ideas on the perspectives and concerns of the people in their communities. There should be a $300,000 budget for the Council's operation on an annual basis.

Action 21:

The Minister of Community and Social Services should give a commitment immediately on behalf of the government of Ontario to establish a Council of Consumers composed of social assistance recipients who are members from local organizations. Self-help groups, consumer advocacy and other advocacy groups and the community at large should be asked for their ideas on the structure and specific mandate of the Council.

Self-Help

Many people who receive social assistance want to help themselves and their neighbourhoods. For example, we have heard from self-help groups about ways that communities could be empowered to use their own skills and limited program resources to make people more independent. With core funding, neighbourhoods can run their own child care programs and their own co-operative food outlets, and some of them already do. They can repair and resell clothing and furniture themselves. They can do this in many instances at lower cost to the taxpayer.

Some municipalities use Special Assistance or Supplementary Aid funds to buy services and goods from self-help groups. There should be more such use of these funds. This is a way of using social service funding to provide sustained employment for those involved in these neighbourhood ventures and to contribute to community development.

Action 22:

Where possible, resources from Special Assistance and Supplementary Aid budgets should be used to purchase services and goods from self-help groups to encourage people receiving social assistance to run their own self-support neighbourhood services.

Information

It is absolutely crucial that people be aware of how the system works, what their rights and responsibilities are, and where they can go for help if something goes wrong.

Many people are intimidated by the system; without adequate information about their rights, presented in a way which is easily understood, they can be victimized. We refer in other sections of this report to enforcement problems. In many cases, the people involved think that the rules prevent them from receiving assistance or that the rules have resulted in their allowance being reduced. The fact is, however, that they have been disadvantaged by some administrative practice that the rules do not permit.

For people who speak languages other then English and French, dealing with the system can be even more difficult. For persons with disabilities, problems can also be compounded. For example, blind individuals often cannot obtain material on tape or in braille.

In theory, everyone can get any information they need about the system. In practice, many people don't. We have learned from people who receive social assistance that whether or not people are advised of programs that are available to them often depends on whether their own worker knows about the program or has time to tell them about it.

We are aware of a considerable amount of material that would be helpful to applicants for social assistance and people receiving assistance if it were distributed to people or made available through local offices. For example, the community legal clinics that operate in many centres around the province have material on the rights of applicants and recipients. There are also many other advocacy groups that help people in these circumstances, some of which have brochures in several languages.

We direct our action item in this case to the MCSS Communications and Marketing Branch. We would hope to receive a preliminary report from the branch on a communications strategy within three months of completion of this report.

Action 23:

A communications strategy should be developed by the Communications and Marketing Branch of the Ministry of Community and Social Services to ensure that accurate, timely and relevant information, prepared by a variety of sources, is provided to people receiving social assistance on how the system works and what their rights, responsibilities and opportunities are.

Advocacy

The feelings of intimidation and inadequacy experienced by many applicants and recipients can be alleviated in many cases by the support and help of an advocate. An advocate may be a community worker, a relative or friend, or a community legal worker. People applying for social assistance or receiving it should be allowed to have an advocate accompany them at any stage of their dealings with the system simply to provide advice or to act on their behalf.

Action 24:

The Ministry of Community and Social Services should indicate by directive that any applicant or recipient is entitled to be accompanied or represented by an advocate when dealing with the social assistance system.

Public Education

We believe that there is much misunderstanding among the general public about the social assistance system. There is likely to be even more as the system goes through a process of reform. We are concerned that people will concentrate only on how much money is spent on social assistance, and will not understand who are the people who need assistance – for example, that some 42 per cent of beneficiaries are children – how they live and the purpose of the reforms.

It is also important that MCSS liaise with the Ministry of Education to ensure that accurate information on the nature and purpose of social assistance is available in Ontario schools. We hope to receive a report from MCSS on plans for a public education campaign within three months of completion of this report.

Action 25:
The Communications and Marketing Branch of the Ministry of Community and Social Services should develop plans for a public education campaign to inform people about social assistance and the reform agenda.

Confidentiality

Municipal councils sometimes ask their welfare administrators to provide names of social assistance recipients in closed meetings of council. The legislation specifically protects the confidentiality of people who receive social assistance. But there is an exception in regard to an in-camera session of council. This may be resolved by the recent enactment of the Municipal Freedom of Information and Protection of Privacy Act.

We are concerned that the usual reason why councillors want to know the names is so that they can operate in a policing capacity. This is inappropriate. We are also concerned that requests for names continue despite the policy of MCSS that the names should not be given out, even in a closed council meeting.

Since the legality of disclosing names in an in-camera session of council is unclear, we would prefer that there be immediate regulatory change to ensure that names of recipients are protected. MCSS legal counsel should explore all avenues for accomplishing this by regulation. However, if such protection can only be accomplished by new legislation, then at a minimum, a directive should go out across the province from the Ministry making it very clear that the government opposes the release of names, including during closed council meetings. In addition, the office of the Information and Privacy Commissioner should be asked for a legal opinion as to whether the new act will prevent the disclosure of names in council meetings.

Action:

26.1 Legal counsel for the Ministry of Community and Social Services should explore all avenues for prohibiting by regulation any disclosure of names of persons receiving social assistance, including release of names during closed sessions of municipal council.

26.2 Should regulatory change not be possible, a directive should be sent to all municipal councils and provincial offices stating the government's opposition to the release of names of persons receiving social assistance.

26.3 In addition, the office of the Information and Privacy Commissioner should be asked for a legal opinion on the impact of the new Municipal Freedom of Information and Protection of Privacy Act on disclosure of names to council members.

CHAPTER 7: ELIGIBILITY

"Society's needs of 20 years ago have changed and the solutions of yesterday will not fit today."

Duncan MacDonald, Ontario Federation of Labour

Under the current system, some applicants for social assistance are turned down because they don't fit into a category or they may be rejected for some other reason that has nothing to do with their need for assistance. In this section, we discuss making the determination of eligibility fairer for some people who have been inappropriately excluded from social assistance without regard to need. As we noted in our criteria, we believe that the system should be moving in the direction of need as the sole criterion for providing assistance.

People in Need in the Full-time Labour Force

There are persons who are in financial need who cannot receive GWA because they are working full time. GWA specifically prohibits single persons and family heads with spouses where both work full time from receiving GWA, regardless of whether that full-time income meets the needs of the worker and his or her household. This especially affects people who are single and working at the minimum wage for a full work-week.

Some time ago, the Deputy Minister of MCSS sent a letter advising municipalities that it is permissible to provide GWA to people in need who are working full time. About half the municipalities are interpreting the rules according to the Ministry letter, but the rest are still rejecting applicants on the basis that they fail the test of eligibility that says they must be unable "to obtain regular employment".

Denial of aid on the basis of a program category, instead of assessment of an applicant's financial need, is illogical and unfair. We are confident that this clarification will not result in a large influx of new applicants for social assistance. In fact, those municipalities which are already allowing people in need in the full-time labour force to be eligible for assistance have not experienced as high a caseload growth as some municipalities which are continuing to rule that full-time employed people are categorically ineligible. The estimated annual cost is $3.5 million for the province and $0.9 million for municipalities.

Action 27:

Regulations under General Welfare Assistance should be clarified to ensure that GWA is extended to all eligible persons working full-time who are in need.

Imposed Waiting Periods

For some people, there is an imposed waiting period for making the transfer from GWA to FBA. Currently, single parents who have been deserted by their spouses, who are living separately from them, or who are "unwed" parents, have to wait three months before they can receive Family Benefits. Divorced persons and widows or widowers do not. The imposed waiting periods for different categories of people are inconsistent. More importantly, we see no reason to make these applicants wait. Variable waiting periods have been introduced over the past six or more decades; their rationale clearly no longer applies.

To rectify this without waiting for new legislation, we propose that a new regulation be introduced for single parents so that they do not have to go through this arbitrary waiting period. Their applications would then be processed as rapidly as other applications. Costs for this item are included under Action 15.1.

Action 28:

A new regulation should be introduced for single parents so that they do not have to go through an imposed waiting period before being eligible for Family Benefits.

Residency Issues

This section deals with three issues related to residency rules and their impact.

Residency Requirement

One of the conditions for eligibility is that the applicant must be a resident of Ontario or declare an intent to stay here. There is a problem when the definition of residence in a community is contingent on having an address – you can't rent a home or apartment until you receive social assistance and you can't get social assistance until you have an address.

Since Transitions noted this problem, MCSS has formulated a broad interpretation of what is considered to be a residence (for example, the local office closest to where a homeless person lives). However, we recommend that this change be put into the regulations to ensure that welfare administrators treat residency in the same way.

Action 29:

Regulations should be amended to clarify that eligibility on the basis of residency does not require an applicant to have a permanent address.

Home Visits

An action item in the Delivery chapter calls for abolition of the home visit requirement. Here we simply wish to dissociate home visits from the issue of residency. One of the reasons for the home visit has been to verify that the applicant has an address. Formally dissociating the home visit from the residency requirement will require rescinding regulations under both GWA and FBA.

Action 30:

Residency rules should be formally dissociated from home visits.

Refugee Claimants

The definition of residency poses a problem in relation to people applying for landed immigrant status as refugees who find themselves in need of social assistance, in particular for refugee claimants with visitor status. Visitors and out-of-status persons (who have no status in Canada) claiming landed immigrant status as refugees cannot control the procedural delays that are a hallmark of Canada's refugee determination process and should not be penalized for it by not being considered residents.

The definition of residency should be clarified in regulation to indicate what the courts have interpreted in the Richardson and Issa decision as the "plain common sense meaning" [6] of the word residence or, as it is sometimes called in law, "ordinary residence". Generally, this means that the person is able to demonstrate all the indicators of someone who resides in the community, including being physically resident and intending to remain. All persons applying for landed immigrant status as refugees should be considered to be fulfilling the residency requirement for eligibility regardless of their status.

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[6] Richardson v. Commissioner of Metropolitan Toronto, Department of Social Services and one other appeal, 25 A.C.W.S (2d) 226 (Ontario Divisional Court, April 10, 1984).

Action 31:

The regulations under GWA should be clarified to ensure that all people (visitors and out-of-status claimants) applying for landed immigrant status as refugees are considered to be fulfilling the residency requirement for eligibility.

Youth at Home

Youth who are 18 to 20 years old are ineligible for GWA if they are defined as employable, are not disabled, and live in the family home. The way the GWA program is structured now, these young people have to leave home to be eligible for assistance. The age threshold for a person receiving assistance in his or her own right outside the home is 16 (two years below the age of majority). But there are clear parental support obligations in the Family Law Act for older children who have not withdrawn from parental control.

There are a number of factors that must be taken into account. The primary one is that 18 to 20 year-olds who are in need should be be able to obtain assistance. Another is that we do not want the social assistance rules to encourage young people to leave their parents' home when that home may be the best place for them. We are particularly concerned about situations where young people return home to try to reestablish their lives after living on the streets.

A third key factor is the importance of encouraging young people to stay in school. If the family is under financial strain, the young person may be encouraged to go out and get a job at age 18 rather than finish secondary school. Young people who leave without completing high school often have great difficulty obtaining secure, well-paid employment, particularly in the skills-intensive labour market of today. We should be doing all we can to help young people to stay in school. If they continue on to a post-secondary educational institution, they may apply for Ontario Student Assistance Plan (OSAP) support. The inadequacy of OSAP is a separate issue which we discuss in Chapter 11 on Other Programs.

We rejected the idea of opening up social assistance to all 18 to 20-year-olds living in the family home and going to school. Otherwise, a young person in a well-to-do home could be eligible in his or her own right due to lack of personal income. Nor do we wish to counteract parental obligations under the law. We recommend that 18 to 20 year-olds become eligible where:

- they have lived independently for a minimum period and returned to the family home to attend school; or
- they have received social assistance while living outside the home, have returned home and are paying room and board while going to school or looking for work; or
- they provide an affidavit stating that their parent or parents cannot support them financially in the home.

In the last case, a parent or parents who are among the working poor or who receive social assistance may continue to provide emotional and other supports to their child in the home, but be unable to make ends meet financially unless the child can receive social assistance in his or her own right. In Chapter 5, we discussed how the system must move in the direction of self-declaration. This affidavit is based on the same principle, and would be subject to the same random audit procedures.

Application forms and information in plain language on this provision in the regulations should be made available through the school system to ensure that young people are aware of where they can obtain help if they need it. This action will require revisions to GWA regulations. The cost is estimated to be $30.1 million for the province and $13.8 million for municipalities.

Action 32:

Youth aged 18 to 20 living in the parental home should be granted assistance in their own right where they are in need and where:

1) they have lived independently outside the home for a certain minimum period, such as six months, and have returned home to resume secondary-level education; or

2) they have been receiving social assistance while living outside the home, have returned home with the intention of living there independently, paying room and board, and have either returned to school or are looking for work; or

3) they provide an affidavit stating that their parent or parents cannot support them financially in the home.

Youth Aged 16 and 17

Employable youth aged 16 and 17 who are living outside the home are ineligible for assistance unless a welfare administrator decides that there are exceptional circumstances. There are no criteria in the regulations for making a decision, so there is little consistency across the province. We believe that the onus should be reversed: rather than requiring these applicants to prove special circumstances to be eligible for assistance, they should be considered eligible unless there are special circumstances that indicate that they should not be eligible. This change recognizes changing realities in society and the family. The cost estimate for the province is $1.2 million, with an added $0.3 million to be borne by municipalities.

Action 33:

Employable persons aged 16 and 17 who are in need and who are living outside the family home should be eligible for assistance unless there are special circumstances that indicate that they should not be eligible.

Self-Employed People

Self-employed persons are not permitted to receive GWA because of an interpretation of the regulation that requires that a person in receipt of social assistance be available to look for regular employment. We believe that if a self-employed person is in need, then he or she should not be turned away simply based on the way he or she makes a living. Farmers, in particular, may be in need of some short-term assistance to tide them over, given the income fluctuation and financial vulnerability of farming. Since Transitions was released, the province has changed the treatment of farm income, but has not addressed the issue of basic eligibility.

Allowing self-employed people to apply for GWA does not mean that every self-employed person will be able to receive assistance. There will be an assessment of need, and guidelines will have to be developed for assessment of income. There are already some guidelines under FBA for assessment of business income, but different areas of the province use different guidelines. A consistent set of province-wide guidelines will have to be developed to help workers analyse the business's profit and loss to determine the self-employed person's income. Work on standardized guidelines should start immediately.

We also recognize that there is an important issue related to disposal of assets in the case of farmers and other self-employed persons who may have a considerable investment in business equipment. We deal with the assets issue in the next section. It is difficult to make a cost estimate in this case, because it will depend on how many self-employed people apply for assistance. We estimate $3.5 million in provincial costs and $0.6 million in municipal costs for this action.

Action 34:

Self-employed persons who are in need should not, in principle, be automatically ruled ineligible for GWA. Work on a consistent set of province-wide guidelines covering assessment of self-employed income should begin immediately.

Issues Regarding Assets

When a person applies for social assistance, there are three financial tests applied: assets testing, income testing and needs testing. These tests permit the system to calculate the overall need of the applicant, the available income and amount of assistance required. There are restrictions placed on the assets that may be held by someone receiving social assistance. These restrictions are intended to ensure that only those in need receive assistance.

An asset held in the present can be expected to produce income in the future. However, it is difficult to impute value to assets and often there is a problem turning them into income at their calculated value. An asset which must be sold in a hurry, for example, may not receive its normal market value. There are certain kinds of assets that do not have to be liquidated before an applicant receives social assistance in Ontario. These include major items such as an owner-occupied home and more minor items such as furniture.

Transitions argued, and we agree, that the asset rules should be liberalized to ensure that the system does not actively inhibit people from making the transition to independence. For most people, being on social assistance is only a temporary circumstance. When large numbers of employable people are put out of work for a sufficiently long period that they exhaust their unemployment insurance, many have to seek social assistance. Forcing them to divest themselves of virtually all their assets and exhaust the income before giving them assistance may make it considerably more difficult for them to get back on their feet financially when the economy recovers. This section deals with five specific issues pertaining to assets.

Grace Period for Defined Assets

It is especially important that people be able to receive assistance while at the same time retaining the equipment used in making their living at least for a reasonable period. The current rules under GWA require applicants to have a low level of assets to be eligible for assistance. In practice, this may mean that they have to dispose of assets. This forces many people to sell the very equipment they need to return to the workforce in their trade or skill area. This almost ensures that they will not be able to return to their normal occupation because they will not have the funds to reinvest in the necessary equipment. This is often the case for seasonal workers, farmers, native people and other self-employed workers.

Therefore, we put forward the recommendation from Transitions that there be a six-month grace period before people applying for social assistance must dispose of assets related to small business, farming, or other defined "tools of the trade". Making this change this will require defining the assets that qualify for the grace period and establishing an asset ceiling.

In addition, there should be provision for a review of circumstances and extension of the six-month grace period where appropriate. Recessions are of uncertain duration; if the six-month period becomes an absolute deadline, there may be cases where someone has to sell off their tools a month or two before the economy begins to recover. Costs are expected to be minor.

Action 35:

A grace period of six months should be allowed in which a person receiving social assistance may retain assets related to small business, farming, or other defined "tools of the trade" up to a specified ceiling. An extension beyond six months should be granted, based on a review of individual circumstances.

Second Property Rule

Applicants for FBA who own a second property in addition to a primary residence are not eligible for assistance. This rule is too restrictive, and there is no such restriction in GWA. If the property can be liquidated and the proceeds received, it should be treated as a liquid asset. However, as Transitions noted, there are cases where the value of the second property is insignificant or the property is located in another country and income from the sale would be subject to exchange controls. Ownership of a second property should not be grounds for ineligibility; the individual circumstances should be taken into account. This will be fairer to those involved, and it will eliminate an arbitrary distinction between GWA and FBA.

Action 36:

The rule governing ownership of a second property as grounds for ineligibility for FBA should be abolished.

Saving for Necessary Items

People who receive FBA are allowed to accumulate savings beyond the maximum assets limit so that they can eventually purchase "necessary items". These items are to be for the health and welfare of the person, leaving a wide margin for discretion. A person who cannot walk, for example, may save to buy a special van so that he or she can get around independently. However, there is no such provision under GWA. The same principle should apply to people receiving GWA as FBA. To achieve this, the wording of the FBA regulation should be extended to GWA.

Action 37:

The wording of the FBA regulation that applies to saving for necessary items should be extended to GWA.

Inadequate Consideration and Spend-down Rule

Two other asset rules refer to assets that have been disposed of before a person applies for social assistance. The "inadequate consideration" rule says that if the asset has been sold for less than fair market value or given away within the previous three years, the applicant is ineligible for assistance. There is another rule that says that someone who spends down assets or income in order to quality for assistance is also ineligible.

Both these rules should be revoked. They are meant to prevent situations, for example, where an older person gives away assets to family members and then applies for assistance. We believe such cases to be rare. In the unusual case where someone who does not know about these obscure rules disposes of an asset for less than market value, the individual may subsequently suffer considerable hardship.

Overall, it seems to us highly improbable that people would rid themselves of their possessions to get social assistance. After all, social assistance does not provide a luxurious standard of living. The cost of this action is expected to be relatively minor.

Action 38:

The rules related to "inadequate consideration" and the spending down of assets or income to obtain social assistance should be revoked.

Assets and Estates

There is a particular problem with small and moderate estates left to persons with disabilities. For example, under FBA, benefits are paid to single disabled individuals whose assets amount to less than $3,000. Above that ceiling, the person is not eligible for assistance at all. Some parents wish to leave modest bequests to their adult disabled children, but when the dollars are insufficient to provide the recipient with a livelihood, the person is forced to leave the social assistance system, run down the value of the estate to the asset ceiling, and then go back on assistance.

Some parents have endeavoured to give money to their children by setting up a discretionary trust. The provincial government has twice contested this practice in the case of the late Audrey Henson, but the province has lost on appeal twice in the Supreme Court of Ontario. As a result, only trusts which follow the Henson model to the letter and leave all decisions related to disposal of the estate to the trustee are considered to be allowable under the FBA rules by the government.

Given the expenses of a disabled person, parents should be allowed to help with such needs as special health, social or educational needs by leaving small or moderate estates to their disabled children. The judgments in the Henson case indicated that such estates should be allowed. At the moment, only the letter of the recent judgment is being followed. We understand that considerable policy analysis has been done within MCSS on this matter in light of the court judgment. To the extent possible, the regulations should be changed to make the system work according to the spirit of the Henson judgment. The cost estimate for this action is $3 million in provincial costs.

Action 39:

In line with the Henson judgment, regulations should be changed to allow persons with disabilities to receive small or moderate estates without losing their allowances and benefits.

Determination of Disability

The Ministry of Community and Social Services is currently appealing in Divisional Court a decision of the Social Assistance Review Board (SARB) in relation to disability determination.

MCSS looks at disability determination strictly in terms of medical conditions. Using the same legal definition used by MCSS, SARB went beyond the Ministry interpretation to take into account social and environmental factors that impinge on a person's disability that in combination with medical factors rendered the person disabled or permanently unemployable for the purposes of social assistance.

Although we agree that medical factors are an important prerequisite to the definition of disability, we have no argument with an approach which considers economic and social factors. Accordingly, we do not support pursuit of the MCSS appeal. The whole complex issue of disability determination is under review, and we see no point in arguing through the courts an issue that should be the subject of major legislative reform.

Action 40:

The Ministry of Community and Social Services should withdraw its appeal of the Social Assistance Review Board decision on disability determination.

Medical Advisory Board Recommendations

A medical advisory board provides advice to the director of income maintenance on whether or not there are objective medical findings to render a person permanently unemployable, disabled or blind within the meaning of the legislation. It is not uncommon for members of the medical advisory board to make their recommendations without giving written reasons. This makes it very difficult to appeal a medical determination to the Social Assistance Review Board.

Action 41:

The medical advisory board should be required to provide written reasons for its advice on disability determination.

Couples Aged 60 to 64

Transitions noted the discrepancy in treatment between men and women aged 60 to 64: women over age 60 received the FBA rate, which was higher than the GWA rate for men age 60. The government acted on the SARC recommendation to end this distinction. Now it should complete these changes by making couples aged 60 to 64 eligible for assistance on the same basis as single persons. This would also mean that a couple in which the applicant's spouse was under 60 years of age would continue to receive FBA, but would not get the additional amount paid to persons 60 and over. It is estimated that this change will cost the province $5.1 million and that municipalities will realize a cost saving of $1.4 million.

Action 42:

Couples aged 60 to 64 should be made eligible for FBA on the same basis as single persons.

Discharge Payments

Discharge payments are made to persons when they leave an institution to help them acquire the basics to move into a home in their community. The rules and benefits for discharge payments under GWA and FBA vary. They should be made consistent in the rules applied to them and the amount paid.

In addition, the discharge payment should be extended to become a start-up payment. It should be made available to people who have not been institutionalized but who are in need and who are setting up an independent residence after some dislocation in their lives. An example might be a person who has left an abusing spouse, or an adult disabled person whose parents have died or become too old to continue to provide care in the home. It is estimated that this will cost the province $7.3 million a year, and that it will cost municipalities $0.5 million.

Action 43:

The discharge payment for persons leaving an institution and moving into a home in their community should be extended to become a community start-up payment. It should be made available, on a consistent basis under both GWA and FBA, to persons leaving institutions and to others in need who are setting up an independent residence.

Sponsored Immigrants

The whole issue of immigration policy and sponsorship agreements is a longer-term issue. However, it is a matter that has immediate consequences for some people in need and it has an impact on the social assistance system.

Under the regulations as they now exist, sponsored immigrants who apply for social assistance may have their applications refused or the amount reduced on the grounds that they should be supported by their sponsors. However, sometimes sponsorship relationships break down and the expected support is not available. The person who is sponsored cannot enforce the sponsorship agreement through the courts because the contract is between the sponsor and federal government authorities. Moreover, the federal government does not enforce agreements on the sponsored person's behalf, and because of constitutional and political disagreements between the two levels of government, neither does the province.

The provincial government should begin discussions with the federal government as soon as possible to reach an agreement on immigration issues, including problems surrounding sponsorship rules. Quebec has already negotiated an immigration agreement with Ottawa. Sponsorship breakdown is by no means the only issue to be resolved. For example, we are also concerned that low-income immigrants to Canada are often unable to reunite their families here because they fall below an established income level. That could mean, for example, that a parent on social assistance could not sponsor a spouse to come to this country when together they might be able to make enough income to get the family off social assistance.

However, given that the major issues in immigration policy are probably not going to be settled by the federal government and the province in the short term, we believe that regulations should be changed to ensure that social assistance applicants are not penalized on the basis of a sponsorship agreement which they cannot enforce, and which governments will not enforce on their behalf. A sponsored immigrant whose sponsor refuses to provide support may be destitute if he or she is refused assistance.

Many municipalities already provide assistance to sponsored immigrants who are in need. However, there has been no regulation to ensure that this occurs across the province.

A sponsored immigrant applying for social assistance should be asked to sign an affidavit to the effect that the sponsor is not providing support. As in other instances where we have recommended a form of self-declaration for applicants, there would be routine audits. Once an affidavit has been signed, the applicant would be evaluated on the basis of financial need, according to the terms and conditions of the rest of the GWA or FBA program.

We do not expect that the impact of this action will be large because many offices are already providing assistance on the basis of need. This action simply ensures that sponsored immigrants are treated equitably and consistently across the province. It is estimated that this action will cost the province $9.0 million a year and municipalities $0.5 million a year.

Action:

44.1 The provincial government should enter discussions with the federal government on terms of an immigration agreement that would include resolution of the sponsorship issue.

44.2 Pending resolution of the sponsorship issue through federal-provincial negotiations, social assistance should be made available to sponsored immigrants who are in need and who sign an affidavit stating that their sponsor is not providing support.

Couples on GWA and FBA

Two people who form a benefit unit as a couple, that is, recipient and spouse, receive less than two single people. This is based on the assumption that there are economies of scale when a couple shares housing and food costs. Transitions noted that while there may be some economies of scale, this differentiation between couples and singles should be eliminated because it discourages the formation of family relationships. We agree with this viewpoint. Cost of this change is estimated to be $9.6 million provincially and $0.1 million for municipalities.

Action 45:

Couples receiving GWA and FBA should receive double the single rate.

Same-Sex Couples

We would argue that couples of the same sex should be treated the same way as those of the opposite sex for the purpose of determining a benefit unit for social assistance. However, the issue of parity in the treatment of same-sex couples in social assistance cannot be dealt with until the whole issue of support obligations for same-sex couples is resolved in the Family Law Act and support law in general.

Action 46:

The Minister of Community and Social Services should press the Attorney General to implement changes in the Family Law Act to extend laws relating to support obligations for couples of the same sex.

Boarder Charge

There is currently a co-residence rule under which two people who are not related who choose to live together have their allowance reduced by $40 a month. We do not want to discourage people getting together for mutual support and to obtain better accommodation than they might be able to find on their own. Sometimes people enter into mutual support relationships. For example, two single mothers may decide to share an apartment. This $40 penalty, called a boarder charge, is an unnecessary impediment to these arrangements. The annual cost estimate is $6.6 million in provincial costs and $0.6 million in municipal costs.

Action 47:

The $40 boarder charge levied against two unrelated persons sharing accommodation should be abolished. Boarder charges should remain for normal boarding circumstances.

CHAPTER 8: JOB SEARCH AND WORK INCENTIVES

"In today's economy, job searches may give people warm feelings, but they are not particularly productive."
Don Eastman, Ontario Chamber of Commerce

This chapter looks at some of the more controversial aspects of social assistance: job searches and incentives to employment for people who receive social assistance.

Job Search

The first issue concerns the requirement that people classed as employable who are in receipt of social assistance be available for work. We have major concerns about the use of job searches. The practice is premised on the notion that people who receive social assistance will not look for work unless they are forced to do so. Most people who are out of work search for employment as a matter of course. However, many do not have the necessary skills to obtain a decent job. It is much more productive – for individuals and for the system – for such people to be given support in improving their employability than to spend time looking for jobs which they will not get or which are not available.

It is futile for people to be sent out time after time to look for jobs that don't exist.

Administrators are either required to ask for job searches by persons who are classified as employable (with no specified limit on how often a person must demonstrate that he or she is looking for work) or to help the person improve employability. There is a great deal of local discretion allowed, and there is no consistency across the province. Some offices require people to report that they have completed several job searches a week, while others do not.

Under GWA, a welfare administrator must be satisfied that the person is making enough of an effort to find a job. Some administrators interpret that regulation to mean that if it is inappropriate to have the person out job-hunting, job searches will not be required until the person has found suitable housing or taken a training program, for example. Other administrators, however, will send a person in the same circumstances out to make continual job applications.

There are no regulated or legal criteria indicating the factors an administrator should take into consideration, such as the level of unemployment in the area. We also understand that some MCSS staff who review municipal practice sometimes put pressure on municipal offices that are not requiring people to look for work.

The regulation that says that a person can be required to take any job of which he or she is physically capable represents thinking of a bygone era when the bulk of the workforce was made up of unskilled labourers. What it means in today's environment is that a fully qualified tradesperson who cannot find work in his or her trade this month may be cut off assistance unless the individual agrees to take any job immediately. We do not believe that it is the role of the social assistance system to dictate that someone who is temporarily out of work because of hard times must take any job, regardless of the nature of the job.

With our economy undergoing a fundamental restructuring, many people will find their skills have become outdated in the marketplace, and they will have to learn new skills to fill the jobs that are available. Our society should be encouraging people to take training now to get ready for the jobs of the future, rather than penalizing them by refusing assistance and forcing them to take unsuitable employment.

There is also a regulation under GWA that allows a person's history of employment to be taken into consideration in determining eligibility for assistance. This means that a person could be deemed not to have tried hard to get or keep a job in the past, making him or her ineligible for assistance in the present. This is too broad and subject to wide interpretation.

In addition, a regulation under FBA says benefits may be cancelled or suspended if a person is unwilling to accept employment. This regulation is not used in practice, and should not remain on the books.

We propose five initiatives related to job search in the short term. First, we recommend removing the requirement that a person must take any job that is physically possible and replacing it with a requirement to accept "suitable employment". This regulation change should be simple to carry out since the proposed wording is the same as that used before 1976 when the harsher definition was brought in to meet budget constraints. The regulation change that we suggest will make a decision by a welfare administrator subject to appeal by a person who believes that he or she is being forced to take unsuitable employment.

Second, we ask the Minister of Community and Social Services to write to all municipal councils stating that job searches may be suspended in instances where they are not warranted or would likely prove fruitless. We also ask the Deputy Minister to send a letter to all welfare administrators across the province indicating the inappropriateness of requiring job searches in every instance, especially during a recession. The Deputy's letter should suggest that administrators take the matter to council. The Ministry should also ensure that its own staff are informed of this position.

Third, criteria should be developed indicating what factors welfare administrators should take into account in requiring job searches. Factors might include the level of unemployment and the skills, age and experience of the individual. We have heard of cases where a person who does not speak English is sent out to get a job even though the person cannot read or fill out job application forms.

Fourth, the section of FBA regulations that says benefits may be cancelled or suspended if a person is unwilling to accept employment should be abolished.

Fifth, the reference to history of employment in GWA regulations should be abolished.

The provincial cost for these initiatives is estimated to be $4.3 million; the municipal cost is estimated to be $1.1 million. However, these costs are likely to be nominal during the recession.

Action:

48.1 The regulation requiring a person to take any job of which he or she is physically capable should be changed to refer to "suitable employment".

48.2 The Minister of Community and Social Services should write to all municipal councils stating that job searches may be suspended in instances where they are not warranted.

48.3 Criteria should be developed indicating what factors welfare administrators should take into account in requiring job searches.

48.4 The section of FBA regulations that says benefits may be cancelled or suspended if a person is unwilling to accept employment should be abolished.

48.5 The reference to history of employment in the GWA regulations should be abolished.

Work Incentives and Barriers to Employment and Training

Transitions viewed moving toward self-reliance as a continuum. Different individuals will be at different points in the continuum, but each should be encouraged to "exercise personal skills and participate in the community to the extent he or she is able." [7]

Transitions also noted a variety of impediments in the system that thwart the efforts of people to leave social assistance. Recommendations concerning some of the serious barriers have been implemented by the government. However, there are some major problems remaining. Impediments built into social assistance are exacerbated by other policies, such as the practice by subsidized housing authorities of recovering outside income based on gross rather than net income.

Treatment of earnings consists of three components: a work expense exemption, a basic earnings exemption, and a 20 per cent exemption on the remainder, known as a tax-back. Treatment varies according to category of recipient.

Tax Back

People who receive social assistance and who have income from earnings are subject to a tax-back if they earn over a certain amount after their work expense and basic exemptions have been deducted. The tax-back rate under the Supports to Employment Program (STEP) is 80 cents on the dollar.

The incentive to work is considerably reduced when people are allowed to keep such a low proportion of what they earn before their social assistance is reduced. The Transitions report recommended that the tax-back rate be reduced from 80 to 66 2/3 per cent. It acknowledged that the federal government would not share the costs of lowering the rate below the approximately 75 per cent ceiling set by the Canada Assistance Plan. It suggested that the province negotiate cost-sharing with the federal government, and urged the province to move quickly to the two-thirds tax-back rate even in the absence of federal cost-sharing.

We agree that allowing people to keep more of what they earn is not only fair, but it also encourages them to move toward independence, thus proving cost-effective in the long run. For the longer term, we intend to give advice on the implementation of a graduated scale that would provide the most benefit to those earning a small amount and that would increase gradually as the amount of earnings increased. However, this is a complex mechanism that is not a short-term action. Therefore, for the short term, we put forward the recommendation in Transitions to reduce the tax-back rate to two-thirds. We emphasize that this is an interim step, to be in effect until a new and better approach is developed.

In the short term, this is a major cost item: $32.4 million in annual provincial costs and $4.6 million in municipal expenditures. Nevertheless, this measure should show significant changes in the longer term. Even a modest increase in earnings of recipients would save $7.7 million for the province and $1.1 million for municipalities.

Action 49:

As an interim step, the tax-back rate on income above the level of allowable exemptions under the Supports to Employment Program should be reduced from 80 per cent to 66 2/3 per cent.

Child Care

There is a specific exemption allowed under STEP for child care expenses. For many parents, especially single parents, being unable to obtain affordable, accessible and high-quality child care in their community is a major barrier to employment and training. However, because of the way that the child care exemption is calculated, many people do not get the full benefit of the deduction. The cost of this action is estimated at $8.7 million in provincial dollars and $0.4 million in municipal dollars.

Action 50:

The calculation of the deduction for child care expenses under the Supports to Employment Program (STEP) should be changed to ensure that the full value of the deduction is realized.

Work Expense Exemption

Under STEP, people receiving social assistance who are employed are allowed to exempt a certain proportion of earnings before the tax-back causes an allowance to be reduced. The work expense exemption is intended to defray costs of such items as clothes, transportation, tools, licences or fees. For persons with disabilities, the limits on the work expense exemption are a particular problem because of the extraordinary expenses they may incur for such items as work-related aids, such as attendant care on the job, and special transportation.

Actual costs should be allowed under the work-related exemption for persons with disabilities. That will mean allowing exemptions for documented expenses above the set limit. This is expected to cost the province $2.9 million.

Action 51:

In addition to the basic exemption under STEP, persons with disabilities who receive social assistance should be allowed to deduct specified work-related expenses, including those attributable to disabilities, at their actual cost.

Definition of Net Income

Under STEP, the definition of net income is intended to exempt mandatory contributions by an employee that are a condition of employment, such as payments for unemployment insurance and Canada Pension. However, no provision has been made for exemption of mandatory deductions for union dues and company pension contributions. The cost of this action is estimated to be $1.7 million for the province and $0.2 million for municipal governments.

Action 52:

All mandatory deductions, including union dues and pension contributions, should be included in the definition of net income under STEP.

Training Income Exemption

The STEP program, for the first time, gave exemptions on training income, but these exemptions are less than those for earned income. It is counterproductive to penalize recipients financially when they go into a training program. It is also sensible to reduce complexity by aligning the two exemptions. Therefore, the treatment of income should be the same for both. In addition, there is an employment start-up benefit for people getting back into the workforce. There should be a similar start-up benefit for people starting training. This action is expected to cost the province $2.9 million and municipalities $0.2 million.

Action 53:

The treatment of income under STEP should be the same for both job training and employment earnings. The employment start-up benefit should be available to persons beginning training, as well as those entering the workforce.

Income Averaging

Many people who receive social assistance and who work have jobs that have irregular hours at low rates of pay. Their earned income can fluctuate considerably; one month, they may work enough hours to disqualify themselves and their families from assistance, and the next month they may earn below the earnings exemption. Income averaging provides greater financial stability for these people.

Income averaging is allowed under the current rules, but the period for income averaging is inconsistent depending on the category of recipient: one month for GWA, three months for single parents and six months for persons with disabilities.

Eliminating differential time periods will reduce complexity in the system. Six months is a reasonable period to smooth over steep fluctuations in income. Income should be averaged forward from the first month of earnings. There are already guidelines in FBA for income averaging, but there will have to be a reworking of the guidelines for short-term clients of GWA who are on assistance for less than six months. This action is expected to cost the province $1.2 million and municipalities $0.3 million.

Action 54:

All people receiving social assistance should be allowed to average their employment earnings over six months.

Vocational Rehabilitation Services

Persons with disabilities who participate in the Vocational Rehabilitation Services (VRS) program are entitled to a special accommodation benefit if they have to leave their home and go to another centre for training. This second residence benefit should not be exclusive to the few who get to participate in VRS. Only a small proportion of persons with disabilities in receipt of FBA are active participants in VRS. This is expected to cost the province $0.8 million.

Action 55:

All persons with disabilities who receive social assistance and who take training away from home should be eligible for the special accommodation (second residence) benefit that is now only available to participants in the Vocational Rehabilitation Services Program.

CHAPTER 9: RIGHTS

> *"People must be protected from the arbitrary exercise of power."*
> Dennis Bailey, Steering Committee on Social Assistance

This chapter looks at issues affecting the rights of people who are applying for social assistance or who are receiving it and who run into problems. In any system such as this, there is a need to balance the protection of the rights of the individual against a fairly administered financial assistance program for persons in need. In some of the issues in this section, the rules of the system are unfair to recipients, but in others, the problem is that the rules that protect clients are not being followed.

In other parts of this report, we have made recommendations that will help applicants and recipients exercise their legitimate rights. For example, in Chapter 5, we have called for written notification of decisions and the right to appeal, and in Chapter 6, we have supported the right of recipients to have an advocate accompany or represent them when dealing with the social assistance system. We have also asked MCSS to come up with plans for a communications strategy that will ensure that people receive accurate, timely and relevant information about their rights, responsibilities and opportunities. This chapter builds on these actions and proposes other steps that should be taken.

Enforcement

We are dismayed to hear of examples of practices that violate existing regulations. We do not wish to imply that the system is full of such violations, but there are enough instances to warrant concern. Ignoring of the rules by even a few of those who are supposed to enforce them undermines the trust of people who depend on social assistance.

The system has always had rules – for example, the work testing rule under FBA – that have been generally ignored, while others are vigorously enforced, such as job search under GWA. Accordingly, it is not a great surprise to hear that some rules affecting recipients are either violated or not enforced. When we have a system that recognizes or ignores less important rules on the basis of historical or unarticulated practices, it is but a small step to ignore rules of law that are far more significant.

For example, we have been informed of instances where the amount paid to a family under the Handicapped Children's Benefit (HCB) has been deducted from their social assistance allowance. This is in clear violation of the rules and should not be happening. It is an example of how families can experience real hardship because they do not know their rights and the system is not applying its own rules.

We are also aware of instances where decisions of the Social Assistance Review Board (SARB) have simply been ignored at the local level. A ruling has been made, but it has not been implemented.

There must be an enforcement strategy to ensure not only that SARB decisions are complied with, but that administrators implement their own rules on an everyday basis. It is important that the changes to social assistance that are being made now through the the short-term reforms in this report actually be implemented in the field. An enforcement strategy should help to ensure that they are. MCSS has already allocated funds for a monitoring strategy which should be strengthened to include the aspects noted above.

Action 56:

An enforcement strategy should be developed to ensure that social assistance regulations and directives are implemented in a reasonable and timely fashion. This enforcement strategy should also include decisions by the Social Assistance Review Board.

In-House Appeals

For a client, an appeal to SARB is a relatively complicated, lengthy and intimidating process. The social assistance administration should have in-house appeal procedures that call on expertise within the system to settle disputes which do not require a formal hearing. If the problem cannot be solved by a person designated within the local office to handle in-house appeals, the recipient should have the right to appeal to SARB. But it would save time, money and energy to settle as many issues as possible on the spot.

In-house appeal procedures for FBA were to be implemented following an MCSS announcement in 1989, and funds have already been allocated for that purpose. A procedural document has been drawn up by MCSS outlining strategies. This report could provide a starting point for developing new procedures. A simple and straightforward appeal procedure should be developed for both FBA and GWA recipients.

Action 57:

A simple and straightforward in-house appeal procedure should be established to settle disputes over GWA and FBA at the local level. Disputes that remained unresolved could still be taken to the Social Assistance Review Board for a decision.

Cheque Withholding

It is our understanding that there is no legal authority for the common practice of holding social assistance cheques. However, we are aware that it is widespread and built into the system. A decision to withhold payment may occur when a person has not responded to a request for information. The cheque may not go out, for example, based on a lack of confirmation that one of the children in the household has left home and is no longer a dependent.

The administration of assistance in many GWA offices is based on a form of cheque withholding. Cheques are issued when a recipient submits a monthly income statement. That statement confirms that the person needs a cheque the following month. If the individual gets a job and is no longer in need, sometimes he or she will simply not send in the income statement.

One reason for holding a cheque in these circumstances is that if the allowance is formally cancelled at this point, a new application has to be taken if the recipient subsequently returns the income statement. However, when the cheque is held, the recipient may find himself or herself in a sort of legal limbo. Not having received an official notice of cancellation of the allowance, the person will not have been advised of the right to appeal to the Social Assistance Review Board. Even if the person is aware of the right to appeal, he or she must show that in effect the allowance has been cancelled or reduced even though no official notice has been issued.

In the longer term, it should be possible to devise a solution that resolves the concerns of both administrators and rights groups on this issue. In the short term, a definitive opinion should be sought on the legality of the current practice of cheque holding and the Ministry should act on that opinion. In addition, a policy must be developed to ensure that cheques are not withheld for information purposes only. The cost estimate on this item is $0.8 million for the province and $0.2 million for municipalities.

Action 58:

A definitive opinion should be sought on the legality of the current practice of withholding social assistance cheques. The Ministry of Community and Social Services should act on that opinion. In addition, a policy must be developed to ensure that cheques are not withheld for information purposes only.

CHAPTER 10: FIRST NATIONS COMMUNITIES

This chapter highlights some of the concerns of First Nations communities that can be dealt with in the short term. It is based on the report of the First Nations communities project team, which reviewed existing GWA legislation, regulations and policies, the native-specific recommendations in Transitions and First Nations' submissions to the Social Assistance Review Committee. The project team also consulted with First Nations communities.

The Advisory Group supports the report of the project team. In addition, we are calling particular attention to certain issues by incorporating them into this report in this chapter. There are also action items elsewhere in this report that will benefit First Nations communities.

Most First Nations communities deliver general welfare to their own people so that recommendations in this report affecting delivery of GWA will have a direct impact on them. For example, Action 10 suggests that First Nations communities be invited, along with municipalities, to submit proposals to conduct pilot projects in self-declaration. Other action items that improve benefits or make eligibility more equitable will help recipients in First Nations communities. For example, Action 35, which proposes a six-month grace period to enable people to retain their "tools of the trade" while receiving GWA, will be of particular benefit to many native people who are involved in traditional occupations like hunting and trapping. For these people, assets such as boats and snowmobiles are not recreational vehicles but tools of their trade.

The actions recommended in this chapter and in the project team's report are meant to be implemented in the short term. They are aimed at improving and promoting First Nations control of social assistance within the terms of the existing legislation, and making the system more sensitive to the economic, social and cultural concerns of First Nations communities.

These actions are meant to move in the direction of a social assistance system that is First Nations determined, First Nations specific, First Nations based and First Nations controlled.

These actions are recommended in the context of the 1965 Indian Welfare Agreement which was signed by the federal government and the Ontario government and which is still in effect. We are not proposing changes in the cost-sharing agreement, under which the federal government reimburses Ontario over 90 cents on the dollar for its spending on social services in First Nations communities. The future of the agreement is a much larger issue that is beyond the scope of this report.

Elsewhere in this report, we have expressed concern about the retrenchment of the federal government in cost-sharing of social services. The continued role of the federal government is a particular concern of First Nations communities, in such areas as health and welfare and education and training for native people. We share the concerns of First Nations communities and urge the federal government to maintain its commitments.

These short-term measures should be viewed as preliminary to a major discussion which must take place between the First Nations and the governments of Canada and Ontario about forging a new relationship between governments in Canada and aboriginal peoples.

Delivery to First Nations Communities

First Nations communities have some unique concerns about the social assistance system. One of the key ones is the importance of delivering services in a way that is respectful of and sensitive to their culture. Currently, there are many different interpretations among federal and provincial government offices about how GWA should be delivered to First Nations communities. This has caused confusion and inconsistency across the province. It has often made it difficult for First Nations social service administrators to deliver services to the benefit of their people.

In 1978, the Ontario Native Welfare Administrators Association (ONWAA) asked for native-specific guidelines for the delivery of GWA to First Nations communities. The result was development of a Northern Districts Manual by MCSS. This manual is not native-specific, but it does address issues especially affecting the remote North.

The Advisory Group urges the Ontario government to make a commitment now to developing, in collaboration with representatives of the First Nations, a native-specific manual for delivering social assistance in First Nations communities. In particular, the expertise of ONWAA should be called upon to assist with this task.

A process should be established whereby MCSS, the federal department of Indian and Northern Affairs Canada (INAC), ONWAA and the Ontario Indian Social Services Council can meet to develop new guidelines for delivery of social assistance to First Nations communities. The Ministry of Community and Social Services should take the lead in getting this process underway.

We recognize that actually producing the new manual is not a short-term matter. But making a commitment and starting the process are both actions that can be taken now. In addition, we recommend that the Northern Districts Manual, which has not been revised since 1984, be revised and updated in the short term.

Action:

59.1 The Ontario government should make a commitment to producing a native-specific manual for delivery of social assistance to First Nations communities.

59.2 The Ministry of Community and Social Services should take the lead in bringing together relevant government representatives and native organizations to begin the process of developing the First Nations manual.

59.3 In the interim, the Northern Districts Manual should be revised and updated.

Language

Another major concern of First Nations communities is language. The primary language of communication in most communities is the native language of the people. Approximately 70 of the 103 First Nations which deliver GWA use either Cree, Ojibway or Oji-Cree as their first language, with English as a secondary language. In 1984, the GWA regulations were converted to Cree syllabics (Oji-Cree) as a pilot project, but the project was not carried on when new funding was not available.

It is imperative that applicants and recipients be able to understand the application forms and other written materials associated with social assistance. Furthermore, it is important for First Nations communities that their linguistic heritage by preserved and respected.

We recommend that all forms, correspondence, brochures, directives and manuals affecting people applying for or receiving GWA in First Nations communities be translated into Oji-Cree. We recognize that this does not cover all the native languages in Ontario, but it should benefit a significant portion of the First Nations population.

In addition, in the longer term, when the new native-specific GWA manual referred to in the previous action is prepared, it should be translated into Oji-Cree. The costs here are minor.

Action 60:

All written materials, including application forms, correspondence, brochures, directives, and manuals that affect people applying for or receiving GWA in First Nations communities should be translated into Oji-Cree.

Special Necessities

First Nations communities note that various MCSS and INAC offices are not consistent in their approval of items that may be provided under Special Assistance and Supplementary Aid. As noted in Chapter 4, there has also been inconsistency among municipalities as to what items are approved under these two discretionary programs. We recommended in Action 1 that items defined as special necessities, including medical requirements and emergency items, be made mandatory so that all recipients receive them. We recommended that a list be developed of those items that will be considered mandatory special necessities.

This change, if implemented, will affect people in First Nations communities as well as non-native recipients. However, we recognize that because of cultural differences, a list of special necessities for the non-native community may not be appropriate for aboriginal peoples. For example, in some First Nations communities, the major medical requirement for a social assistance recipient may be a safe roof over his or her head and pure drinking water. Repairs to unsafe, substandard housing and provision of sanitary living conditions – by drilling a well or putting in a septic tank – are often not being done on an urgent basis despite the need in many First Nations communities because funding is not authorized.

There should be a list of mandatory special necessities, including housing repairs and sanitation facilities, specific to First Nations communities. This list should be drawn up by the First Nations communities project team and endorsed by the Minister. The first full-year cost would be approximately $15 million with about 95 per cent reimbursed to the province through the federal-provincial Indian Welfare Agreement.

Action 61:

There should be a list of mandatory special necessities, including repairs to substandard housing and provision of basic sanitation, specific to the needs of social assistance recipients in First Nations communities. The list should be developed by the First Nations communities project team and endorsed by the Minister.

Northern Allowance

GWA provides a Northern allowance of 20 per cent of basic needs for people who live in isolated communities. This allowance is meant to compensate in part for the higher costs of many items, such as food and clothing, caused by transportation of goods to remote communities where at certain times of the year everything must be delivered by air. The actual costs of food and household items are sometimes almost double the costs of the same items in Southern Ontario. The gap may become even greater in future if Canada Post proceeds with plans to terminate subsidies for Northern communities in 1991.

The Northern allowance came into force in 1980 under the authority of the Director of Income Maintenance; it is not in the regulations. It is paid through Special Assistance and Supplementary Aid, which are discretionary programs and subject to federal budgetary restraints. The Northern allowance should be part of the basic allowance so that it is paid on a mandatory basis. In addition, it should be paid on actual family size and the actual ages of the children, rather than the current practice of basing the amount on an average. The cost will be approximately $1 million.

Action 62:

The Northern allowance should be made part of the basic social assistance allowance and a rate schedule should be established in the regulations that bases the allowance on actual family size and ages of the children.

Social Service Administrators

There is little consistency in the salaries paid to social service administrators who work in First Nations communities. In some cases, the Chief and Council may wish to give a sizable increase to their social service administrator to catch up to salaries of people doing comparable work outside the community, but they are faced with funding caps imposed by INAC and MCSS. There should be a review of salaries to ensure that they are fair and equitable.

Action 63:

The Ministry of Community and Social Service should take the initiative to begin a review of the salaries of First Nations social service administrators to establish a salary schedule that is fair and equitable.

Funerals and Burials

Transportation of deceased persons for funeral and burial in their home communities is covered under Special Assistance and cost-shared at 50 per cent. This causes financial problems for many First Nations communities in remote areas of the province because of the high cost of transporting the body home by air, which is the only means of transport. The cost-sharing should be increased by MCSS to 80 per cent. The cost will be minor.

Action 64:

Transportation costs associated with funerals and burials should be cost-shared by the Ministry of Community and Social Services at 80 per cent.

Compensation and Land Claims

Under FBA regulations, payments made to First Nations communities for compensation and land claim settlements, as well as Treaty payments, do not disqualify people from receiving assistance. Under GWA, however, only Treaty payments are exempt. The GWA regulations should be made to parallel the FBA regulations.

Action 65:

GWA regulations should be made to parallel FBA regulations exempting compensation and land claim settlements.

CHAPTER 11: OTHER PROGRAMS AND TRANSFERS OF AUTHORITY

Other Programs

Transitions discussed the impact of a number of other programs on social assistance recipients. We deal with some of these programs here, including: legal aid and homemakers' services, child care, employment programs, literacy programs and supports for persons with disabilities. We do not want to hold up or impede positive change in other programs, but we wish to emphasize the importance of implementation of parallel reforms in other programs that are related to, or affected by, the social assistance system.

We also wish to emphasize the crucial importance of ensuring equitable access to these programs, including access for persons with physical disabilities, and for people from different cultural and linguistic backgrounds.

We are pleased to note that the government has established an inter-ministerial committee, headed by the Ministry of Community and Social Services, to deal with social assistance reform. We urge the inter-ministerial committee to give the measures raised in this section attention to ensure that they are implemented.

Needs Tests

With changes being made in social assistance, there will need to be some complementary changes in other programs. For example, if needs tests for social assistance are changed, the needs tests for other programs, such as legal aid, homemakers' services and subsidized child care, should be harmonized to reflect those changes.

The purpose should be to develop a standard form to which additional questions could be added for different purposes. With full computerization, it should become unnecessary for an applicant to reapply to each separate program. With the permission of the individual, administrators could obtain computer access to the person's form, and add only the extra information necessary for their particular program.

Training and Employment Programs

There have been evaluations of training and employment programs used by people who receive social assistance. In addition, part of our mandate includes an evaluation of the STEP program, which is meant to facilitate access to employment programs. It is essential that the system establish what programs are actually useful in helping people to get good jobs and to leave social assistance.

MCSS is in the process of redesigning its employment programs. This should be an urgent priority. Currently, the programs are uncoordinated and they have a variety of requirements for eligibility that segregate people according to age and other categories. However, the problem goes well beyond the jurisdiction of MCSS. There are a host of other provincial and federal training and employment initiatives.

We are aware of the interest of government in issues of training and education as expressed in such recent reports as People and Skills in the New Global Economy [*] and Vision 2000: Quality and Opportunity. [*] We propose that as a start toward better coordination between the variety of training and employment programs that the province conduct a comprehensive review, involving, at a minimum, the Ministries of Community and Social Services, Education, Colleges and Universities and Skills Development.

We emphasize that this review is only the beginning of an effort to improve coordination and effectiveness in employment and training programs. The federal government and municipal governments and a variety of institutions are involved in these programs in Ontario.

Action 66:

The Ministries of Community and Social Services, Education, Colleges and Universities and Skills Development should review provincial training and employment programs to identify ways to improve coordination and effectiveness.

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[*] Premier's Council, *People and Skills in the New Global Economy* (Toronto: Queen's Printer for Ontario, 1990).

[*] Vision 2000 Steering Committee, Ontario Council of Regents, *Vision 2000: Quality and Opportunity, A Review of the Mandate of Ontario's Colleges* (Toronto: Ontario Ministry of Colleges and Universities, 1990).

Literacy

Literacy programs are also prerequisites for many people who receive social assistance to benefit from training or employment preparation programs. There are not enough of these basic language programs to meet the need. These programs serve a wide range of clients, including but not limited to social assistance recipients. The federal and provincial government and some municipal governments are involved in providing funding for literacy programs, as well as a range of non-profit community agencies, unions and others. There is a need for better coordination of effort, as well as more financial support by governments if the problem of illiteracy is to be addressed.

Action 67:

The Ontario government should expand its efforts to combat the serious illiteracy problem in the province.

English and French as a Second Language

English as a Second Language (ESL) and French as a Second Language (FSL) programs are also crucial for many people who receive social assistance. Lack of access to language training has denied many non-English and non-French speaking people the opportunity to participate in employment training and has kept many of them in low-wage jobs. The current ESL and FSL system is inadequate to the need and underfunded; many programs are also not available to some groups, particularly immigrant women. There is a particular problem for parents who need help with child care in order to be able to take language training.

The federal government and the provincial Ministries of Education and Citizenship and Culture, all of which are now involved in these programs, should work together to address the artificial and systemic barriers, including lack of access to child care, preventing immigrants from gaining access to ESL and FSL training. They should also provide adequate funding to meet the demand for such training.

Action 68:

The Ministries of Education and Citizenship and Culture should work together with the federal government to remove the systemic barriers, including lack of access to child care, preventing immigrants from receiving English or French as a Second Language training. They should also provide adequate funding to meet the demand for training.

Mainstream Services for Adults with Disabilities

Adults with disabilities should be served as much as possible through mainstream services, rather than services targeted exclusively to them. Providing services through mainstream programs and agencies does not increase the cost of services, but it does help to integrate persons with disabilities into the larger community, where they belong. More services, for example, should be provided through the universal health care system rather than through social assistance spending.

It is imperative that persons with disabilities be given every chance to reach their full potential, whether that means finding paid employment or having a more independent and active life in the community. Persons with disabilities make up about 23 per cent of all people who receive social assistance. Persons with disabilities who are on social assistance should have ready access to services in the wider community that can help them pursue their personal and career goals.

Action 69:

More services for people with disabilities should be delivered through mainstream programs.

Support Payments

The issue of the relationship between spousal support payments, particularly for children, and social assistance is a complex one. Positive steps have been announced by the government in enforcing support orders, but problems related to the inadequacy of most court-ordered support payments remain. Many women become poor because they are left alone with inadequate support to raise their children.

However, a more aggressive enforcement program may not touch the vast majority of cases in which the spouse or father cannot be located, has moved to another province or country, or is simply not paying the amount that he was originally ordered to pay.

There are also concerns about pursuit of support in cases where women have been abused by their spouses. We referred earlier in this report to waiving income determination for three months for battered spouses, but that still leaves the question of pursuing support in the longer term. We do not want to endanger women further. On the other hand, there should not be a financial reward – that is, a blanket exemption from support – for someone who is an abuser.

There is also a problem for many women because of the unreliability of support; the mother's assistance cheque is based on the assumption that she will receive support. When it does not arrive, the family may be without money for food until an emergency social assistance cheque can be issued. Hopefully, improvements will occur because of the new, stronger measures for collection announced by the Attorney General.

The question of support is complex and bound up in a number of legal issues, many of which are not directly concerned with social assistance. We do not believe that this can be resolved in the short term or by MCSS alone. We ask the Minister of Community and Social Services to ask the Attorney General of Ontario to investigate these matters and institute appropriate reforms to the Family Law Act, particularly respecting child support.

To address the issue of adequacy, it may be necessary to enshrine in law a presumption of a certain fixed percentage of income being payable as support and to ensure that such payments are made by government and collected by government from the spouse. Such a system exists in American and European jurisdictions and Australia. If the government takes on the responsibility of pursuing support, the pressure will be taken off the woman to a great extent. This would largely eliminate the problem facing women who refuse to name the father of a child or to seek child support through the courts and who may now have their assistance reduced by an arbitrary amount because of their refusal.

Action 70:

The Minister of Community and Social Services should urge the Attorney General to consider amendments to the Family Law Act that would redress the lower standard of living faced by women after family breakdown and that would provide a stronger direction to the courts in determining adequate support, particularly for children.

Ontario Student Assistance Plan

The Ontario Student Assistance Plan (OSAP) is the program that is designed to help people who cannot afford post-secondary studies to be able to go to college or university. However, because OSAP supports are inadequate, social assistance is used in some situations to provide sufficient resources to live on for people attending post-secondary institutions. Social assistance is an inappropriate way to fund opportunities for post-secondary education. Changes should be made to OSAP to ensure that it provides an adequate standard of living for students who are in need.

Action 71:

The Ontario Student Assistance Plan should provide post-secondary students with an adequate income that makes it unnecessary for them to apply for social assistance.

Transfers of Authority

There are some reforms that require a transfer of authority because the programs, for a variety of reasons, should not be part of the social assistance system, should be merged with another program, or should be part of the mainstream services provided to children.

Foster Care

Foster parents who care for children who are not wards of a Children's Aid Society receive benefits under social assistance legislation. They should not be covered by welfare legislation; they should be under the Child and Family Services Act in their own special category as non-wards. We recognize that this will require legislative change. However, planning should be underway now to make the transition. This change would call for a transfer of budgetary dollars from GWA and FBA to the Child and Family Services budget.

Action 72:

Planning should commence to transfer the foster parent program from social assistance legislation to the Child and Family Services Act.

Handicapped Children's Benefit and Special Services at Home

The Handicapped Children's Benefit (HCB) is part of the FBA allowance structure. However, its purpose is not related to social assistance; it is designed to help parents on low or moderate incomes with some of the extraordinary expenses of raising a disabled child. This program should be removed from social assistance legislation and moved to the Child and Family Services Act.

MCSS has long considered merging the HCB with the Special Services at Home program, which provides supports, without financial testing, to families caring for a developmentally disabled child at home. In many areas, the programs are being delivered together, although they are still separate. Work is required to merge the two into a single program which serves all disabled children. MCSS should develop an action plan to accomplish this, in close consultation with community groups affected by these programs. This should be accomplished as soon as possible, and the integrated program should be transferred to the Child and Family Services Act.

Action 73:

An action plan should be developed by the Ministry of Community and Social Services in consultation with community groups, to merge the Handicapped Children's Benefit and the Special Services at Home program and to transfer the integrated program to the Child and Family Services Act.

CHAPTER 12: HUMAN RESOURCES

"Cutting back on social services is sort of like operating a car and deciding to save money by not buying motor oil. You save a few cents immediately, and then the engine seizes up."

Marna Ramsden
Ontario Municipal Social Services Association

The transformation of the social assistance system that we envisage will not occur unless the people who work in the system are given the necessary support and training to cope with fundamental change.

Transitions described a staffing situation characterized by high turnover, critical staff burnout and front-line workers who felt overworked, undervalued and frustrated by problems they were unable to fix. With the workload increases caused in part by the onset of recession, these problems are not getting better.

Some of the other action items in this report should contribute to lessening the pressure for front-line workers: specifically, moving special necessities out of the area of local discretion and eliminating the requirement for time-consuming home visits. However, additional action is urgently required to enable the system to provide the standard of service that we have recommended and to address issues concerning human resources strategy and training.

Meeting the Service Standard

When a new social assistance act is enacted, there will be a whole new staffing situation because GWA and FBA will be consolidated into one program. But in the short term, as Transitions recommended, we believe that the government should set caseload standards for the system as it exists today and provide funding to ensure that those standards are met.

In Chapter 5 of this report, we recommended that people seeking assistance from GWA offices should have their applications taken and their eligibility determined within two working days of first contact with a GWA worker (Action 12). To ensure that this standard is met, there must be sufficient staff in GWA offices to be able to respond to requests for assistance within two days.

There is a contracted caseload standard in the integrated FBA/GWA sites for staffing of one staff person per 90 GWA clients of the service. It includes provision for one supervisor and two clerks for every six welfare workers. However, in other municipalities, there is only an informal caseload standard, and funding provided to municipalities for administration tends to be tied to an overall budgetary increase, rather than to a specific caseload standard.

To meet the standard for service response, negotiations should commence between the Ontario government and municipalities to establish an adequate caseload standard. In the interim, we recommend using the 90:1 GWA caseload standard already established for the integrated sites.

We anticipate that staffing to 90:1 will involve hiring a significant number of new staff. We acknowledge that this represents a major cost increase for the system, but we believe that service to applicants and recipients will not improve unless something is done about the workload situation. The problem goes beyond that of people in need having to wait a long time to have their applications taken and their eligibility assessed. With all available staff in most offices working on taking applications, there is little or no time to give support to people who are receiving social assistance. These people should be getting information on available training programs and other support that staff can provide.

In other words, virtually all the system's staff resources are going into intake because that is where the pressure is, and the work that should be done to help people leave the system is of necessity being left aside. Continuing with this kind of staffing situation is counter-productive in terms of longer-term cost effectiveness.

There must be agreement on cost-sharing between the provincial government and municipalities for this action. We recommend specific actions for cost-sharing administration in the 1990 and 1991 municipal budget years in the next chapter.

Action 74:

Negotiations should commence between the Ontario government and municipal representatives on an appropriate client-to-staff ratio. In the interim, for the purposes of the 1991 municipal budget year, the 90:1 GWA client-to-worker ratio and the 1:6:2 supervisor-worker-clerical staff ratio that is established in the integrated FBA/GWA sites should be used as a basis for immediate action.

Human Resources Strategy and Training

It is not uncommon for staff to know very little about new programs, such as STEP, many months after they have been introduced. Program changes are often complex, and many front-line staff do not have the time to develop a detailed understanding of new policies. If they are not given sufficient training in a new program, they will be unable to tell their clients about it. This is not a new phenomenon caused by the recession; it is a systemic problem.

We recommend that two separate bodies advocated by SARC to deal with human resources be established immediately. One is a human resource strategy committee and the other is a training committee. Both should involve municipal and provincial representation.

The human resource strategy committee would oversee changes resulting from short-term reforms as they affect staffing. The committee would also have broad responsibilities to ensure that staff can manage a restructured social assistance system effectively.

Transitions listed a number of things that this committee would have to accomplish to smooth the transition to a new system, including:

- developing workload and caseload standards for income support workers and opportunity planners;
- writing job specifications and descriptions and identification of qualifications and skills required for certain positions;
- development of formal selection standards;
- working with educational institutions on appropriate curriculum;
- developing staff appraisal mechanisms; and
- monitoring the impact of technology on workers.

The other committee, a joint provincial-municipal training committee, should be established with the objective of ensuring that a consistent level of training is available to staff to assist in the changes taking place in social assistance through this reform process and beyond. The training committee should:

- assess needs and propose ways to improve municipal and provincial staff training;
- develop strategies for combatting discriminatory practices and promoting racial harmony and respect for different cultures; and
- make recommendations for ongoing, in-service training.

Transitions envisaged that the training for provincial workers should be centrally coordinated and that training for municipal staff should be done by the Ontario Municipal Social Services Association, with funding from the province. The committee should work with colleges and universities to ensure that the content of courses in social work will prepare students for work in the field.

These committees should include representation from people who receive social assistance, front-line workers, administration and support staff, provincial and municipal personnel, trade unions, community organizations and other organizations with related interests. They should develop ongoing communication links with the Council of Consumers so that there is an active exchange of ideas.

These two committees should be constituted as soon as possible. We wish to emphasize how crucial training and other human resources issues will be to the success of system reform.

Action 75:

A human resource strategy committee and a training committee should be established immediately to begin work on necessary human resources planning to facilitate the implementation of social assistance reform.

CHAPTER 13: PROVINCIAL-MUNICIPAL COST-SHARING

"The dollars for discretionary programs are drying up. As far as the social assistance program is concerned, we are going backwards."
Brad Clements, Councillor, Region of Halton
Association of Municipalities of Ontario

Cost-sharing among different levels of government is one of the most contentious issues in social assistance reform. There are major debates concerning which level of government should pay for allowances, benefits and administration of the program. Both the provincial government and municipalities have concerns about the costs of reforming the system. Compounding that general concern is a more specific and current one about the rising costs of social assistance caused by skyrocketing caseloads during the recession.

In this chapter, the major focus is on cost-sharing issues affecting the province and municipalities. However, we also discuss the financial responsibilities of the federal government which we believe must remain a key partner in supporting income security programs in this country.

Cost-Sharing Social Assistance

The funding of social assistance was one of the major issues considered by the Social Assistance Review Committee. It was also a key element in the report of the 1990 Provincial-Municipal Social Services Review (PMSSR), which included representation from MCSS, the Association of Municipalities of Ontario and the Ontario Municipal Social Services Association. [10]

In general, the federal government pays 50 per cent of all allowances and benefits. Municipalities pay 20 per cent of GWA, 50 per cent of Special Assistance (for GWA clients and other persons in need) and 20 per cent of Supplementary Aid (mainly for FBA clients). The provincial government funds the remainder: 30 per cent of GWA and 50 per cent of FBA. The federal share is paid to the provincial government which in turn flows the funds through to municipalities.

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[10] Provincial-Municipal Social Services Review Committee, *Report of the Provincial-Municipal Social Services Review* (Toronto:Queen's Printer for Ontario, 1990).

In both Transitions and the PMSSR report, it was recommended that municipalities be relieved of their cost-sharing responsibilities for social assistance allowances and benefits and that senior levels of government assume 100 per cent of the costs.

Both reports also supported municipal delivery of a unified social assistance system, although Transitions recommended that municipalities be required to meet certain provincial conditions before being delegated the responsibility for delivery of a unified system.

Neither report resolved the issue of funding of administrative costs of delivery. The Social Assistance Review Committee suggested that municipalities should contribute to administrative costs, whether or not they delivered the program, to avoid any disincentive to deliver it. Transitions also recommended that in the short term, the province should contribute to municipal administrative costs. The parties to the PMSSR report could not agree on a funding formula for administration, although all three supported an increase in the provincial contribution.

Municipalities now cost-share, on a 50-50 basis with the federal government, administrative expenses approved under the Canada Assistance Plan. Non-approved expenses, such as rent, telephone and postage, are funded 100 per cent by municipalities.

We understand that the provincial government is considering the report of the PMSSR and is conducting consultations that are scheduled to end at the time this report is being written in January, 1991. We also understand that provincial-municipal cost-sharing is not limited to social services, and that the whole area of provincial transfers to local government is being studied. While we are sensitive to these wider issues, we urge that the funding formulas for social assistance not be left in their current state.

It should be noted that municipalities operate on a calendar-year budget cycle and that by June of 1991 they will be planning for the next budget year. Key budgetary decisions for 1992 must be made by the fall of 1991.

Resolution of the issue of who pays for social assistance allowances and benefits must be reached as soon as possible. The pressure of expanding caseloads on municipal budgets is currently causing the reduction or elimination of many discretionary programs administered and cost-shared by municipalities. If this continues, the level of service will only get worse.

The issues of funding and delivery of social assistance must be settled before implementation of a new system that integrates FBA and GWA. Continued uncertainty over these issues could jeopardize the reform process to which we are committed.

Action 76:

The Ontario government must decide quickly on new funding arrangements for social services.

Funding for an Appropriate Level of Service

In the previous chapter, we recommended that staffing be increased in line with a province-wide caseload standard for GWA offices to ensure that an appropriate level of service can be provided. The province and municipalities must cost-share at the existing 50-50 formula the necessary expenditures to enable GWA offices to meet the 90:1 caseload standard and the 1:6:2 supervisor-worker-clerical staff ratio.

Since it is the federal government that actually pays the 50 per cent, through the province to municipalities, it could be said that this is a no-cost item to the province. However, given the impact of the overall federal cap on increases in its contribution under CAP, this action can be expected to have an impact on provincial coffers.

MCSS estimates that the province will have to spend $8.5 million and municipalities will have to spend $8.5 million to implement this action.

Action 77:

The province and municipalities must share at the existing 50-50 formula the costs of meeting the province-wide GWA caseload standard.

Because of the increased numbers of people relying on social assistance in 1990, many municipalities have had to hire more staff to cope with demand, without any guarantee that such spending will be cost-shared by the province. Due to budget constraints, some municipalities have allowed client-to-staff ratios to rise steeply.

Given the current situation with staffing, it is imperative not only that we proceed with funding for a province-wide caseload standard for 1991, but that the province also agree to cost-share the hiring that municipalities have done in 1990 to meet the demands on the system.

Action 78:

The provincial government should agree to fund the additional staffing costs incurred by municipalities in 1990 under the existing 50 per cent formula.

Impact of Reform

We are concerned that the short-term reforms in this report not create an undue financial burden, particularly for municipalities. Although the impact of reform will affect both cost-sharing partners, we are especially concerned about local governments because their capacity to raise revenues is not as great as the senior levels of government. Municipalities do not have access to the range of taxation options available to senior governments, and, in addition, they are not allowed to run operating deficits.

Unlike many other programs, social assistance is not subject to limitations on supply. If people are eligible for GWA, the municipality must provide it and cost-share it. When economic times are tough – which is usually when welfare caseloads spiral upwards – even the wealthier municipalities are strained because their fiscal capacity is limited. There is a provision to help municipalities that are swamped by demand. If the number of beneficiaries of GWA reaches four per cent of the population, cost-sharing for cases above the four per cent increases to 90 per cent. But this provision is considered by municipalities to be too little, too late. It is has been used only rarely.

We are also very aware that Ontario is in the midst of a recession. Recessionary pressures are causing real financial problems for municipalities. Their social assistance budgets are having to increase by up to 50 or even 70 per cent in some municipalities that are hard hit by layoffs and plant closures – Durham, Windsor and Hamilton-Wentworth, among them.

As we have noted, many municipalities are having to slash discretionary budgets, some of them in programs that provide necessary supports and services, such as employment services and child care, Special Assistance and Supplementary Aid, for people on social assistance.

Our estimates indicate that expenditures on social assistance by the municipal government sector as a whole will be reduced by this package of reforms. Implementation of this report is expected to save municipalities an estimated $50 million. One of the reforms that will provide important municipal financial relief involves transferring people from GWA to FBA more quickly (Action 15). Other actions of specific cost benefit to all or most municipalities are discussed in this chapter: for example, improvements in cost-sharing of administration and the mandatory provision of special necessities. However, because of the variation in municipalities, the services they provide and the needs of their communities, there may be some municipalities that will pay more due to the impact of these reforms.

We have, with some minor exceptions, refrained from making recommendations for changes to existing funding arrangements because we do not wish to create confusion between this report and the much broader effort made in PMSSR. However, we support the principle of cost neutrality, that is, that the reforms should not cost municipalities more money. We believe that cost neutrality should be a general principle for the Minister in the implementation of the reforms in this report.

The government itself has provided a precedent for improving cost-sharing for municipalities without tampering with the existing funding arrangements, pending a decision on PMSSR. In November, 1990, the Minister said that costs for the additional rate and shelter increases announced at that time, to take effect January 1, 1991, would be paid 100 per cent by the province.

Accordingly, we recommend that, based on the principle of cost neutrality for these reforms, the province create a special fund to provide financial relief to those municipalities whose social assistance expenditures are increased by the impact of the reforms in this report. We consider that this commitment would represent a significant act of good faith toward municipalities on the part of the province. We also consider that it should provide some incentive to municipalities to refrain from eroding discretionary social assistance programs. However, we realize that it does not compensate for the enormous increases in people applying for social assistance that has occurred in 1990 and is continuing in 1991.

We have not set an amount for this fund because we would then be presupposing not only the impact of these reforms on individual municipalities, which is difficult to estimate precisely, but also the decision of the government to implement some or all of the actions in this report.

Action 79:

The Minister of Community and Social Services should adopt the principle of cost neutrality for municipalities in the implementation of the reforms in this report. To ensure that municipalities do not have to spend more to implement these reforms, the province should establish a special fund to provide financial relief to those municipalities adversely affected.

Non-Approved Administrative Expenditures

One of the most aggravating aspects of current cost-sharing of administration for municipalities is the fact that such essential items as rent, telephone, postage, computer development, supplies, accounting and janitorial services are not covered for cost-sharing under CAP. This strikes us as illogical: these are required administrative expenses to ensure that services are accessible to those who need them, and they should be cost-shared the same as other administrative expenses. This will cost the province an estimated $15 million annually and will save municipalities the same amount.

Action 80:

The province should make a commitment to cost-sharing at 50 per cent the major administrative expenses, such as rent, postage, telephone, computer development, supplies, accounting and janitorial services, that are not now covered under the Canada Assistance Plan.

Joint Intake Projects

We referred in Chapter 5 to increasing the number of municipalities participating in pilot projects to administer applications for both GWA and FBA out of the same municipal office. These projects are now cost-shared 50-50. Funding from the province should be increased to 100 per cent in these projects. They are not only valuable to illustrate what could be done in future when the two programs are legislatively and administratively merged, they also save MCSS on administrative expenses. This action will cost the province an estimated $4.5 million and save municipalities the same amount.

Action 81:

The province should fund the administration of joint FBA-GWA intake projects at 100 per cent.

Funding of Special Necessities

Earlier in this report, we recommended that a number of items that may now be provided on a discretionary basis through Supplementary Aid and Special Assistance, such as necessary medical supplies, should no longer be discretionary; they should be provided on a mandatory basis as special necessities under GWA and FBA.

Municipalities cost-share items provided under Special Assistance on a 50-50 ratio with the federal government. They pay 20 per cent of the cost of items provided under Supplementary Aid even though most people who receive Supplementary Aid are on the FBA program.

Those necessary items that are made mandatory under general assistance regulations will be cost-shared at 20 per cent by municipalities.

This does not alter existing cost-sharing arrangements. For many municipalities, however, it will mean some financial relief because items that they have been providing under Special Assistance at 50 per cent cost-sharing will now be provided at 20 per cent. However, it will also mean that some municipalities that have in the past not provided any or all of these items on a discretionary basis will now be required to pay their 20 per cent share when the items become mandatory under GWA.

The cost-sharing for necessary items that have been provided until now under Supplementary Aid will be provided as mandatory items under FBA and will therefore be paid 100 per cent by the province. Municipalities should not have to cost-share these necessities for FBA recipients. This move will ensure that more of the cost burden for special necessities shifts to the province. This action will cost the province an estimated $21 million.

Action 82:

Special necessities should be funded by the provincial government at 80 per cent for GWA and 100 per cent for FBA.

Northern Ontario and First Nations Communities

There is no administrative cost-sharing for part-time social service administrators. Administrators tend to be part-time in areas where administration of GWA is not consolidated at the upper-tier municipal level. However, in the case of First Nations and the unconsolidated areas of the North, there is no upper-tier municipality in existence to take on the responsibility. We recommended in Chapter 5 that consolidated delivery through District Welfare Administration Boards be reviewed. However, in the interim, for these specific communities with part-time administrators – First Nations communities and unconsolidated municipalities where there is no upper-tier government – funding should be provided on the same basis as in the rest of the province (currently 50 per cent). This will cost the province an estimated $2 million.

Action 83:

There should be cost-sharing for part-time social service administrators in areas of the province where there is no upper-tier level of government.

The Cap on CAP

We have already noted the federal decision to cap its share of costs under the Canada Assistance Plan (CAP) to a five per cent increase, and the subsequent court challenge by provincial governments, including Ontario, of that decision.

While Ontario is undoubtedly the wealthiest province, it also has among the largest numbers of people living in poverty. Recent federal monetary and fiscal policies, such as high interest rates, are helping to generate unemployment. At the same time, changes to unemployment insurance rules will mean even greater dependency on social assistance. The cap on CAP will make it more difficult for Ontario to meet its obligations to its citizens in a fair and humane way without digging deeper into their pockets. It will have a severe impact on the cost of reform for other levels of government.

At a time when Transitions said that senior levels of government should take on 100 per cent of the costs of allowance and benefits, the federal government is limiting its existing contribution to a five per cent increase. This will mean that the province will have to bear the brunt of reform. The Minister of Community and Social Services should take her case to Ottawa.

Action 84:

The Minister of Community and Social Services should take the earliest possible opportunity to begin discussions with the federal government on the issue of maintaining Canada Assistance Plan cost-sharing.

CHAPTER 14: LOOKING AHEAD

"Take some risks; pilot some projects."
Bryan Hayday, Ontario SARC Network

In the course of our identification of short-term reforms, a number of issues arose that we acknowledge cannot be entrenched in legislation at this time, but they are of such high priority that we include them in this report and urge the government to make a formal commitment to ensuring their implementation.

Opportunity Planning

Opportunity planning is one of the pivotal ideas in Transitions. It would mean a reorganization of the system to ensure that social assistance recipients are provided with the supports and services they require to make the transition to independence.

We are concerned that in the current economic environment, there are reduced opportunities in the job market. However, we want the system to be preparing to implement opportunity planning so that when economic conditions improve, the system will be ready. We reiterate that poverty cannot be solved through social assistance reform. We require an economic and social strategy that is aimed at full employment.

As Transitions explained it, the opportunity planning function would be distinct from the income maintenance function. Income maintenance workers would determine eligibility, provide crisis intervention and emergency referrals, provide information about social assistance and people's rights and responsibilities, and refer the person to an opportunity planner.

The opportunity planner would work with the person to devise a plan identifying strategies to help him or her leave the social assistance system or live more independently. This service is to be offered to all recipients. Opportunity planning is meant to be a departure from the punitive approach that has been characteristic of the social assistance system.

The viability of this system is contingent on the supports and services being available to help recipients make the transition. There must also be resources for providing opportunity planning, either through provincial or municipal staff or through community organizations that are experienced in assisting disadvantaged groups. We agree with Transitions that community organizations should be used, particularly those that have experience working with people with disabilities, different cultural communities, and with the homeless.

There are other issues that need to be resolved before opportunity planning can be fully implemented. However, we believe one of the best ways to learn how something will work is to try it out in different locales and under different locations. Innovative pilot projects in opportunity planning should be funded now to provide information and advice on the variety of models that work.

Action 85:

The Ministry of Community and Social Services should provide $5 million in seed money for at least six pilot projects to experiment with methods of opportunity planning in a variety of communities.

Market Basket Approach

It seems incredible to us that there is no definition of adequacy to which social assistance rates are tied or measured. The Canada Assistance Plan does not define one, nor do any of the provincial social assistance programs across the country. Instead, in Ontario, we have a benefit structure that is described in Transitions as overly complex and irrational. Rates are increased when the government in power chooses to do so, but not necessarily based on any discernible measure of adequacy.

The Social Assistance Review Committee considered introducing a measure or definition of adequacy that is "clear, understandable, and publicly available" to be its most important contribution to ensuring that social assistance rates attain and maintain adequate levels. [11] Having looked at several options, including using poverty lines, expenditure patterns or a market basket approach, the committee recommended the market basket.

The market basket method entails pricing a number of goods and services that people need to live and basing adequacy levels on the total cost of the items priced. The items chosen for the list are crucial, as are any distinctions made for regional differences. The market basket would not include shelter subsidies which would be treated differently.

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[11] Social Assistance Review Committee, *Transitions*, p. 180.

We wish to emphasize that the market basket is a community standard, not an absolute measure. It is also not supposed to be a minimum base for survival. The market basket should be based on those objective standards that are available – for nutrition, for example – but also on expenditure patterns of people. For example, poor people often pay more for major purchases because they buy them "on time" and have to carry the interest charges.

We have asked the Benefit Structure project team to begin work as soon as possible on working out the mechanics of implementation of a market basket approach as a means of measuring all items needed by social assistance recipients except shelter. This information is necessary if the process of setting adequate rates is to be written into new social assistance legislation. Once the process is adopted, it can be used to monitor the system and call the government to account for its actions.

Action 86:

The Ministry of Community and Social Services should make a commitment to follow up on the work of the Benefit Structure project team to use a market basket approach to establish a standard of adequacy for social assistance allowances and benefits.

Overpayments

We are concerned about the handling of overpayments caused by administrative error. Sometimes, through no fault of their own, people on social assistance may find their cheques drastically reduced as the system attempts to recoup its losses. This whole issue has been the subject of court action in the Manitoba case of Finlay vs. The Minister of Finance of Canada et. al. That case is now before the Supreme Court of Canada.

We have already discussed the need for a definition of adequacy to provide a rationale for social assistance rates. If there were an adequacy benchmark, it could be used to define the level of income below which a person's income could not fall. If an overpayment could be repaid without dropping below that level, the system could be assured that the person was not suffering undue hardship. Mere survival on the edge of destitution is not an acceptable benchmark.

The Federal Court judgment in the Finlay case supported the principle of the maintenance of adequacy. We support that principle. We recognize, however, that the Supreme Court of Canada decision is still pending. Therefore, we urge the Minister to set clear criteria in new legislation for a fair system for collecting overpayments that will be compatible with the spirit of the Finlay case and that will ensure that no recipient is deprived of adequate support.

Subsidized Child Care

We support the recommendation in Transitions that sole-support parents receiving social assistance who participate in activities designed to increase their self-reliance should be guaranteed access to subsidized child care. Without subsidized child care services, training and employment will remain beyond the reach of countless single parents who wish to become self-sufficient. We request that the inter-ministerial committee on social assistance reform take on this important issue.

Action 87:

The inter-ministerial committee on social assistance reform should make child care a priority issue.

Pay Period Study

There should be a study launched into the appropriate pay period for social assistance. This is not an item that was studied by the Social Assistance Review Committee. It may appear to be a simple issue, but the ramifications are complex. For recipients, the timing and frequency of cheques and electronic funds transfer have an important impact on their personal budgeting. In addition, the timing and frequency with which cheques are issued affects provincial financing requirements. We have asked the Delivery and Funding project team to examine this issue. We request that MCSS follow up on the work of the team and launch a study.

Action 88:

The Ministry of Community and Social Services should launch a study of the pay period for social assistance.

CHAPTER 15: COMPREHENSIVE REFORM

The overriding concern of this Advisory Group is the elimination of poverty. We find it appalling that there is hunger and want in the midst of prosperity. We recognize that reforming the social assistance system will not solve the problem of poverty in our society. Poverty cannot be left solely to the broader social services system to solve either. What is required is a comprehensive approach that transcends traditional boundaries between social and economic policy.

Issues such as child care, affordable housing, education, labour market strategies and tax policies all have an impact on poverty. In giving advice to the Minister of Community and Social Services, we intend to pursue these wider social and economic issues in areas where we feel we can make a contribution to moving the debate forward.

The Social Assistance Review Committee recognized the need for comprehensive reform. Transitions proposed major changes in income security at the national level, including provision of an income supplementation program for working people on low incomes, a children's benefit and an income program for persons with disabilities.

The Social Assistance Review Committee saw the social assistance system becoming a more residual program in the longer term. Children and persons with disabilities would be taken out of the system and supported under other, more appropriate, programs, and an income supplementation program would make it less likely that the working poor would need social assistance.

We support this longer-term vision and ask the provincial government to make a commitment to pursuing it. We intend to advance the debate on the longer-term vision in Transitions through work on such issues as disability determination, wage supplementation and a children's benefit.

We recognize that the province cannot initiate alone the national programs that Transitions envisioned, but we urge the Minister to raise these issues with her colleagues in other provinces and with the federal government. In fact, we believe she should use every opportunity, including appearing before federal hearings and committees, to ensure that these issues are on the national agenda.

We urge the Minister to put the issues forward, in full recognition that the federal environment is not currently fertile ground for this debate. We are concerned that while we are urging the provincial government to implement reforms in social assistance – reforms that will put an additional cost burden on the provincial treasury – the federal government is moving in the opposite direction by limiting its cost-sharing with a five per cent cap on increases in Canada Assistance Plan (CAP) funding.

Not only is the federal government seeking to abdicate its traditional cost-sharing under CAP, but it is presiding over an economic policy, directed by the Bank of Canada, that is pursuing high unemployment through a high dollar and high interest rates. Until we have an economic strategy whose aim is to create employment, the social assistance system will remain under siege.

We do not want to see the momentum for reform stalled by the federal government or by battles in the courts between Ottawa and the provinces. We suggest that the provincial government support the advocacy groups that are continuing to pressure the federal government not only to be a full partner in cost-sharing of social services, but to look at attacking the roots of poverty in this country in a comprehensive and innovative way.

At the provincial level, there is much that needs to be done to merge social and economic policy-making and to ensure that inter-ministerial coordination goes beyond holding meetings to talk about coordination. At the community level, there are also jurisdictional and organizational barriers getting in the way of solving real problems. There have been attempts at community planning that encompasses a range of issues and agencies, but more innovative work is required to develop models that promote collaborative planning and service provision.

We reiterate that reforms that make social assistance adequate and equitable are not the answer to the problem of poverty. Reform of social assistance will help, and it is absolutely vital that it be done, but it is only a partial solution. The government has set up an inter-ministerial committee on social assistance reform, but it too is limited in the impact its initiatives can have on the economy. A national effort is required to return to a full employment economy and to win the war against poverty.

CHAPTER 16: CONCLUSIONS

"We will either have a generation that is mind-boggled by poverty, or a solid society that knows it can weather a recession."

Josephine Grey, Low Income Families Together

The Impact of this Report

It may be difficult for those without a direct knowledge of the social assistance system as a whole to understand that the overall effect of the recommendations made in this report will be a simpler, more effective, responsive and adequate social assistance program. Taken separately, the recommendations deal with gaps, complexities, inadequacies or inequities in the current system. As a result, the solutions often appear to be as complex and difficult as the problems they purport to solve.

This is the inevitable result when one must operate within the existing system, making change from within rather than from without. We do not have the luxury of starting from scratch since so many people depend upon the current system for their daily livelihood. We are also bound by our promise to recommend changes that can make a meaningful impact in the short term. However, we believe that the changes we have recommended will make the system better.

It will be much less complex. For example, we have recommended one personal needs allowance under a common set of rules, one rate for boarders, and one rate for employable single persons.

We have proposed a system whereby all individuals and families will be assessed according to their need by removing a complicated array of categorical exclusions affecting people such as refugee claimants, youth aged 18 to 20, and self-employed persons.

Once eligibility is established on the basis of need, we have recommended a rational and defensible division between necessities – that must be provided to people on social assistance – and other items that may be provided.

A number of measures in this report will have the cumulative effect of making the system much more accessible to people who need it, while freeing those who work in the system from some administrative chores that do little to enhance the efficiency or overall accountability of the system.

For example, we have recommended that several pilot projects around the province experiment with an application system that allows people to self-declare, the same way that income tax forms do. We have also asked that the requirement for a visit by a welfare worker to an applicant's home be abolished.

We have called for the formation of a Council of Consumers to give a voice to people who receive social assistance, and we have suggested that recipients who form neighbourhood self-help groups be encouraged through the creative use of social assistance dollars. New rights and protections have been proposed that guarantee both the privacy of recipients and their right to information. We have recommended limitations on the exercise of discretion so that the system is more consistent and equitable across the province.

We have also recommended changes in requirements for job searches for people receiving social assistance, in recognition that it is more productive for many people to be undergoing employment training so that they can obtain a good job when the economy recovers than to be searching for work when there are no jobs available in their community.

We have also called for more staff to be hired to handle the growing number of cases in the system. And we have proposed a more rational and equitable system of funding to support these reforms.

Finally, we have equalized eligibility, benefits, rules, procedures and delivery in a number of areas. This will have the effect of bringing the FBA and GWA programs together in a way that will make it far less disruptive when legislation creates one new social assistance program.

Investing in People

We are conscious that the result of implementing the package of reform in this report will be to open the "entrance" to social assistance considerably wider. But it also begins the process, which we will pursue in the next stage, of broadening the "exits" from social assistance. This requires that a wide range of realistic opportunities be made available so that people who are leaving social assistance can make the transition to autonomy. Doing so requires moving down the road that leads towards a full employment society.

For the past 15 years, the federal government and provincial governments in Canada have been following policies based on making inflation the number one economic priority. Governments have pursued debt and deficit reduction; they have tended to shift the tax burden from income and corporate taxes to consumption and sales taxes; and they have instituted tough constraints on government expenditures.

As unemployment has risen, social programs that help the unemployed, such as unemployment insurance and social assistance, have had to cope with increasing demand. The response of government has been to change the conditions of eligibility for these and other programs to make it more difficult for individuals and families in need to benefit from them.

High interest rates, which have been a key method of reducing inflation, have led to high unemployment as investment is choked off and consumer and mortgage credit becomes more expensive. In the minds of many, free trade, which was to be the key ingredient in Canadian economic resurgence, appears now to be a key ingredient in the current recession. Lastly, the deficit and the debt are now much larger than they were in 1975.

These government policies have not accomplished what they set out to do. Moreover, they have left the country with substantially greater unemployment and a much larger dependent population. Most people can and want to be part of the paid labour force in jobs that pay them a living wage.

We are now at a turning point. If we continue down the road that has been paved by government policies over the past 15 years, the economic and social costs of supporting an ever-growing dependent population will become overwhelming. Consequently, there will be increasing pressure to make more cuts in social expenditures to such an extent that we will have created the modern equivalent of the poor-house society.

There is an alternative. It is a road that leads in the direction of full employment as a prerequisite to an economic and social system in which social assistance is easier to obtain and available at higher benefit levels. Most people would derive their income from employment in jobs at decent wages, and social assistance would be a residual program available if necessary, but not necessary for most people most of the time.

A commitment to a full employment society means spending money on programs that have traditionally been considered in the social, rather than the economic, sphere. But they are interconnected. To have full employment, it will be necessary to invest in literacy, lifeskills and other pre-employment programs, as well as education and training at all levels, and to support people who need to take these programs to become fully participating members of the workforce. It will also be necessary to work with employers in organizing training and in creating new opportunities and private and public jobs.

We are talking about an investment in people. Countries with higher levels of social expenditure than Canada's, such as several European nations, have developed a different government policy approach from the one that has gripped this country. They have developed a highly trained and productive labour force in an economy based on high wages and full employment as the basic social welfare measures. This is the direction in which we must move to make fundamental social assistance reform work for all of us.

Reforming social assistance must be part of our investment as a society in our own social and economic future. There are many people who are convinced that social programs in Canada are already too rich, and that spending money on social welfare represents a drain on the economy. However, a number of studies, including the Transitions report, have disputed that view. In comparison with other industrialized nations, Canada is not a big spender on social programs. [12] There are a number of other countries that invest more heavily in social programs and have stronger economies than ours. There is also evidence that social spending can contribute to economic growth and prosperity by creating a climate of social stability in which productivity and economic growth can flourish. [13]

Transitions concluded the following: "Members of the committee are more firmly convinced than ever that decisions about the appropriate level of social spending are primarily political rather than economic .... We fully accept that the recommendations contained in this report must be politically acceptable if they are to be implemented, but we also believe that the government can foster the necessary public acceptance." [14]

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[12] Organisation for Economic Cooperation and Development, *Social Expenditures, 1960-1990: Problems of Growth and Control* (Paris: OECD, 1985).

[13] Social Assistance Review Committee, *Transitions*, p. 523.

[14] Ibid., p. 525.

The members of this Advisory Group echo those sentiments. We believe that the public of Ontario will support spending on social assistance reforms if people are fully informed about why these changes are so important.

These changes are so important because we are trying to turn an unfair, punitive, outdated, illogical system that traps people in poverty into a system that treats people humanely and equitably, that supports their needs and the needs of their children, and that provides opportunities – for those who are able – to get out of the system.

We concur with the Social Assistance Review Committee's argument that an up-front investment in social assistance reform has the very real potential to save tax dollars over the longer term as more people are assisted to make the transition to independence. This will not happen quickly, and we do not anticipate savings from the immediate reforms proposed in this report. They are mainly designed to make the system more accessible and equitable. But as the reform process continues, and it becomes easier for people to get out of the system, then those longer-term savings should start to accrue.

We are also aware that many people believe that the $415 million package announced in 1989 by the previous government to implement some reforms actually transformed the system. This is simply not true. First, the previous government indicated that these funds would only address some of the immediate short-term reforms, but not the larger-scale, longer-term changes advocated in Transitions.

Second, not all of that $415 million was actually spent on reforms. About $20 million of that total had already been announced and had been allocated to utility costs of recipients. Of the remaining $395 million, $54 million was for employment programs, an allocation that has not yet been spent, and $120 million was for an increase in benefits to cover inflation. That left approximately $221 million that actually went towards implementing Transitions. The $221 million represents 56 per cent of the total of $395 million in "new" money.

It is important that people know that to date, Ontario has invested $221 million – not $415 million – in implementing the reforms in Transitions. Although $200 million-plus is a lot of money, turning around the system will cost a great deal more. Transitions estimated that the short-term reforms would cost from $380 to $415 million in 1988 dollars and before recent caseload increases.

We know that Ontario is in the midst of a recession, and that there are competing priorities for public spending. However, it is our conviction that, now more than ever, social supports for the most disadvantaged and vulnerable people in our society must be strengthened. More and more people are losing their jobs and many of them are having to apply for social assistance; the fact that more people are in need should make the momentum for reform more, not less, pressing.

If we do not act on these reforms soon, we will have condemned yet another generation of children to a life of publicly-supported poverty. In so doing, we will be undermining the social, economic and political future of this province.

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APPENDICES

A List of action items with cross-references to recommendations in *Transitions*
B Statement by Minister, May 2, 1990
C Advisory Group Terms of Reference
D Statement by Minister, November 29, 1990
E Description of project teams and Legislation Development Section
F List of provincial organizations which held discussions with Advisory Group

Appendix A

ACTION ITEMS

CROSS-REFERENCE TO TRANSITIONS

Recommendations in this report similar or the same as those in Transitions Report of the Social Assistance Review Committee are cross-referenced below.

Where recommendations are discussed but not formally recommended in Transitions, this is also noted.

X is used to denote Action Items that have no direct SARC reference.

BACK ON TRACK	TRANSITIONS	
1	64	
2	224	(discussion only)
3	70	
4.1	60	
4.2	59	
4.3	59	
4.4	179	
5	54	
6	55	
7	67	
8	X	
9	X	
10	136	
11	137	
12	X	
13	X	
14	148	
15.1	1	(discussion only)
15.2	1	(discussion only)
15.3	81	
15.4	1	
16	141,143	

.../2

CROSS-REFERENCE TO TRANSITIONS

BACK ON TRACK	TRANSITIONS	
17	176	
18	145	
19	187	
20	187	(discussion only)
21	187	(discussion only)
22	265,266	(discussion only)
23	126-133	(discussion only)
24	128	
25	269	
26.1	133	(discussion only)
26.2	133	(discussion only)
26.3	133	(discussion only)
27	92	
28	9	(discussion only)
29	X	
30	X	
31	4,5,6	
32	2	
33	3	
34	115	
35	31	
36	35	
37	33	
38	36	
39	37	
40	10-11	(discussion only)
41	138	(discussion only)
42	66	
43	X	
44.1	42	
44.2	44	
45	22	
46	X	
47	X	
48.1	78-80	(discussion only)
48.2	78-80	
48.3	78-80	
48.4	78-80	
48.5	78-80	
49	97	

.../3

CROSS-REFERENCE TO TRANSITIONS

BACK ON TRACK	TRANSITIONS	
50	95	
51	94	
52	93	
53	99	
54	98	
55	14	
56	182	
57	149	
58	150	(discussion only)
59.1	X	
59.2	X	
59.3	X	
60	X	
61	X	
62	212	
63	208	(discussion only)
64	214	
65	X	
66	113	
67	103	
68	X	
69	118,120	
70	253	(discussion only)
71	106	
72	19	
73	20	
74	83	
75	84,87	
76	197-203	
77	81,82	(discussion only)
78	81,82	(discussion only)
79	203	
80	203	
81	183,203	
82	64	
83	X	
84	257-264	
85	72	
86	48	
87	116	(discussion only)
88	X	

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et communautaires

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Appendix B

STATEMENT TO THE LEGISLATURE BY
THE HONOURABLE CHARLES BEER
MINISTER OF COMMUNITY AND SOCIAL SERVICES

ADVISORY GROUP ON NEW SOCIAL ASSISTANCE LEGISLATION

MAY 2, 1990

MR. SPEAKER, I WOULD LIKE TO INFORM MEMBERS OF ANOTHER STEP IN THE ON-GOING REFORM OF ONTARIO'S SOCIAL ASSISTANCE SYSTEM.

AS MEMBERS KNOW, LAST YEAR WE EMBARKED ON AN AMBITIOUS PROGRAM OF REFORM. IN ADDITION, MY PREDECESSOR ANNOUNCED OUR INTENTION TO MOVE FORWARD WITH NEW SOCIAL ASSISTANCE LEGISLATION.

THE VERY FIRST RECOMMENDATION PUT FORTH BY THE SOCIAL ASSISTANCE REVIEW COMMITTEE WAS THAT ONTARIO'S TWO PIECES OF WELFARE LEGISLATION BE MERGED INTO A SINGLE, UNIFIED ACT. THE SARC REPORT ACKNOWLEDGED THAT NEW LEGISLATION IS A KEY REQUIREMENT FOR MEANINGFUL CHANGE IN SOCIAL ASSISTANCE.

THE PROCESS MY MINISTRY IS EMBARKING UPON WILL RESULT IN ONE PIECE OF LEGISLATION, WHICH RECOGNIZES THE REALITIES FACED BY SOCIAL ASSISTANCE RECIPIENTS IN THE 1990s.

THE GENERAL WELFARE ASSISTANCE ACT WAS PROCLAIMED IN THE FIFTIES--- THE FAMILY BENEFITS ACT IN THE MID-SIXTIES. ONTARIO'S NEEDS HAVE OUTGROWN THESE DECADES OLD STATUTES.

A NEW LEGISLATIVE FRAMEWORK IS, I AM PROUD TO SAY, AN INDICATION OF THIS GOVERNMENT'S COMMITMENT TO THE TYPE OF FUNDAMENTAL REFORMS ADVOCATED BY SARC.

MR. SPEAKER, IN KEEPING WITH THAT COMMITMENT, I AM PLEASED TO INFORM MEMBERS TODAY OF THE CREATION OF A GROUP OF EXPERTS TO ADVISE ME IN THE DEVELOPMENT OF NEW SOCIAL ASSISTANCE LEGISLATION FOR THIS PROVINCE.

THE ADVISORY GROUP ON NEW SOCIAL ASSISTANCE LEGISLATION WILL BE CHAIRED BY PROFESSOR ALLAN MOSCOVITCH, ASSOCIATE PROFESSOR IN THE SCHOOL OF SOCIAL WORK AT OTTAWA'S CARLETON UNIVERSITY. ALLAN MOSCOVITCH HAS DEALT CAPABLY WITH MANY CHALLENGES DURING HIS DISTINGUISHED CAREER. HE HAS PRACTICAL EXPERIENCE IN THE DELIVERY OF SOCIAL ASSISTANCE, AS WELL AS THE PERSPECTIVE OF A SOCIAL SERVICES EDUCATOR.

OVER THE PAST YEAR, MY MINISTRY HAS BEEN BUSY LAYING THE GROUNDWORK NECESSARY FOR THE ACTIVITIES OF THE ADVISORY GROUP. WE HAVE IDENTIFIED NO FEWER THAN 230 ISSUES WHICH MUST BE ADDRESSED IN THE COURSE OF DEVELOPING NEW LEGISLATION.

A LEGISLATION UNIT HAS BEEN ESTABLISHED IN MY MINISTRY TO SUPPORT THE ACTIVITIES OF THE ADVISORY GROUP. SIX PROJECT TEAMS ARE BEING ESTABLISHED TO EXAMINE LEGAL ISSUES, THE BENEFIT STRUCTURE, THE DISABILITY DETERMINATION PROCESS, EMPLOYMENT SERVICES, INDIAN COMMUNITY ISSUES, AND, DELIVERY AND FUNDING ISSUES.

THE WORK OF THE ADVISORY GROUP IS A PRACTICAL EXERCISE THAT WILL RESULT IN FUNDAMENTAL REFORM FOR PEOPLE IN NEED OF ASSISTANCE.

THE TWELVE PERSON ADVISORY GROUP WILL PROVIDE DIRECT ADVICE TO ME, THROUGH WRITTEN REPORTS AND REGULAR MEETINGS. THEIR ADVICE WILL RELATE TO NEW LEGISLATION AS WELL AS THE MINISTRY'S EVALUATION OF THE NEW SUPPORTS TO EMPLOYMENT PROGRAM.

FOLLOWING THE ACTIVITIES I HAVE OUTLINED, MY MINISTRY WILL RELEASE A DISCUSSION PAPER DETAILING OUR SPECIFIC PLANS FOR NEW LEGISLATION. FOLLOWING PUBLIC CONSULTATION AND REFINEMENTS, I WILL PRESENT A BILL TO THE HOUSE IN 1992.

I AM VERY PLEASED WITH THE CALIBRE OF THE ADVISORY GROUP'S MEMBERSHIP AND OF THE EXPERTISE THEY BRING TO THIS IMPORTANT TASK. MR. SPEAKER, THE NAMES OF THE OTHER COMMITTEE MEMBERS ARE AS FOLLOWS:

- JACQUES COTÉ, HEARST, ONTARIO: JUSTICE OF THE PEACE; MEMBER OF SARC; AND FORMER CHIEF ADMINISTRATIVE OFFICER IN HEARST;

- JULIE DAVIS, TORONTO: SECRETARY-TREASURER FOR THE ONTARIO FEDERATION OF LABOUR AND FORMER CUPE REPRESENTATIVE, HOSPITALS AND NURSING HOMES;

- REVEREND SUSAN EAGLE, LONDON: MINISTER AND COMMUNITY OUTREACH WORKER FOR UNITED CHURCH; MEMBER OF ISARC, THE INTERFAITH SOCIAL ASSISTANCE REFORM COMMITTEE; MEMBER OF THE ONTARIO SARC NETWORK;

- AMY GO, TORONTO: SUPERVISOR OF IMMIGRANT SERVICES AND COMMUNITY DEVELOPMENT AT WOODGREEN COMMUNITY CENTRE; VICE-PRESIDENT OF CHINESE-CANADIAN NATIONAL COUNCIL;

- Cathy McPherson, Toronto: Co-ordinator of Education and Development at ARCH, the Advocacy Resource Centre for the Handicapped; active in the Income Maintenance for the Handicapped Co-ordinating Group;

- R. K. (Joe) Miskokomon, Muncey, Ontario: Grand Chief, Union of Ontario Indians; Councillor for the Chippewa of Thames Reserve;

- Lana Mitchell, North Bay: Executive Director of LIPI, Low Income People Involved of Nipissing; member of the Ontario Advisory Council on Women's Issues; Vice-Chair of the Ontario Coalition Against Poverty;

- Mary Jane Mossman, Toronto: Member of faculty, Osgoode Law School, consulted on new legislation in Australia; writes extensively about social assistance;

- Susan Pigott, Toronto: Director of Communications and Social Action, Family Service Association of Metro Toronto; Chair of the Child Poverty Action Group;

- E. COURTNEY PRATT, OAKVILLE: VICE PRESIDENT OF HUMAN RESOURCES AND STRATEGIC PLANNING AT NORANDA AND ACTIVE MEMBER OF THE ONTARIO CHAMBER OF COMMERCE;

- DICK STEWART, OTTAWA: EXECUTIVE DIRECTOR OF PROGRAM DELIVERY FOR THE REGIONAL SOCIAL SERVICES OF OTTAWA-CARLETON AND PRESIDENT OF OMSSA.

AND MR. SPEAKER, AT THIS TIME I AM PLEASED TO RECOGNIZE PROFESSOR MOSCOVITCH, CHAIR OF THE ADVISORY GROUP ON NEW SOCIAL ASSISTANCE LEGISLATION. HE IS WITH US HERE TODAY AND IS SEATED IN THE SPEAKER'S GALLERY.

THANK YOU.

-30-

Appendix C

TERMS OF REFERENCE FOR AN ADVISORY GROUP TO THE MINISTER ON NEW SOCIAL ASSISTANCE LEGISLATION AND THE STEP EVALUATION

Ministry of Community and Social Services
August 30, 1990

TERMS OF REFERENCE

PROJECT TITLE: **An Advisory Group to the Minister on the development of new Social Assistance Legislation and the STEP Evaluation.**

OVERVIEW:

Following publication of the Social Assistance Review Committee report Transitions, The Ministry of Community and Social Services adopted a new agenda for social assistance reform. The components of this agenda are as follows:

- The New Initiatives announced in May 1989,
- New Social Assistance Legislation, and
- Broader income security reform.

Adoption of this reform agenda followed an unprecedented consensus achieved across a wide range of constituencies, both before and after the publication of Transitions.

The basis of this consensus included as one of its important elements, the broad objective of the elimination of poverty.

The Social Assistance Review Committee identified problems and provided the Government with overall direction as to the solutions to these problems as well as the order in which they ought to be resolved.

However, as the Government moves toward the implementation of change, there are a number of key tasks to be undertaken which will require planning and decision-making that will go beyond the scope of the broad directions contained in Transitions. These include:

- the evaluation of the Supports to Employment Program (STEP)
- the planning process for new legislation to merge our existing social assistance law (R1 & R270)

Nevertheless, it will remain important to ensure that the decisions made respecting implementation reflect full consideration of public opinion and the consensus achieved in 1989. In addition, it will be crucial to make certain that as other changes take place in the socio-economic environment, decisions are taken which will further the objectives of the reform agenda.

Accordingly, the Minister will require direct and ongoing advice on the implementation of social assistance and related changes from the range of affected constituencies.

The most effective method of achieving representative and ongoing direct advice is the formation of an Advisory body to the Minister.

PURPOSE:

The purpose of an Advisory Group is to provide direct strategic advice to the Minister of Community and Social Services which is:

- timely;
- accurate; and,
- representative.

The advisory function would be directed toward but not limited to:

- the evaluation of STEP; and,
- advice on issues relating to the contents and implementation of new social assistance legislation.

OBJECTIVE:

The Minister will receive the advice of the Advisory Group through meetings and regular written reports.

The group will meet on a regular basis separately from the Minister. The Minister may attend the meetings to receive advice and participate in discussions.

SCOPE:

1. **The Evaluation of STEP**
    - Receive interim reports from the Evaluator for comment.
    - Submit a brief report on the results to the Minister.
    - Assess STEP in the wider context of social assistance reform

2. New Social Assistance Legislation

In Recommendations #1 and #270 of Transitions, new legislation was recommended in the following manner.

Recommendation #1

The Family Benefits Act and the General Welfare Assistance Act should be merged into one piece of legislation, with one benefit structure that covers all social assistance recipients.

Recommendation #270

- The development of new social assistance legislation should include a period of broad public consultation.
- The new Act should include a preamble setting out the principles underlying the legislation.
- The essential elements of the new social assistance system should be found in the statute rather than in regulations and policy manuals.
- The legislation should guarantee periodic review of the major elements of the new social assistance system.

In this broad context, the scope of the Advisory Group's work includes the following tasks:

- Comment on the reports of the Project Teams who will be conducting the substantive research and policy analysis work for the Ministry.
- Advise the Minister respecting the options developed by the Project Teams.
- Ensure that groups which have an Ontario wide focus with an interest in new social assistance legislation are consulted.
- Advise the Minister as to the manner in which consultation should be conducted.
- Make the Minister aware of any other concerns relevant to new legislation.

METHODOLOGY:

An advisory committee of 12 persons will be named representing a range of interests, including at least one member who served on the Social Assistance Review Committee.

The Committee will be expected to:

- study information on existing programs and reform efforts
- review and comment on alternative approaches and their implications
- meet on a regular basis
- prepare reports which will provide the basis for meetings with the Minister
- advise the Minister of their deliberations.
- consult with and hold informal discussions with interested constituencies as needed.

Advise the Minister on alternative mechanisms to facilitate native delivery of social assistance programs as envisioned in Transitions consistent with eventual native self-government.

In their work, the Advisory Group will be guided by the overall objective and principles set out in Transitions. The overall objective for social assistance stated in this report is as follows:

> "All people in Ontario are entitled to an equal assurance of life opportunities in a society that is based on fairness, shared responsibility, and personal dignity for all. The objective for social assistance therefore must be to ensure that individuals are able to make the transition from dependence to autonomy, and from exclusion on the margins of society to integration within the mainstream of community life."

The ten operating principles in the report are:

1. eligibility
2. adequacy
3. accessibility
4. personal development
5. personal responsibility
6. individual responsibility
7. respect for family life
8. respect for diversity
9. accountability of the system and
10. shared responsibility

Chair:

One member of the group will be appointed chair. A second member will be appointed vice-chair. The Chair's responsibilities will be

- to apprise the Minister of the Group's advice respecting the process of legislation development and the evaluation of STEP.
- convene and chair meetings of the advisory group.
- to advise the Minister on a monthly basis on the work of the Project Teams and the STEP evaluation as required;
- to provide other advice as appropriate.

Note: The activities of the Group will become more focused once the report of the Evaluator has been prepared.

TIME FRAME:

The Advisory Group will begin its work in mid 1990 and continue to meet until it has advised the Minister on all six project team reports. At this point, a decision will be taken regarding the continuation of this advisory function. (Following that advice, the Minister will determine the contents of a consultation paper on new legislation).

ADVISORY COMMITTEE MEMBERS:

Members of the committee represent a number of interest groups and constituencies. As well, representation from a reasonable range of geographic sections of the Province has been established.

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Appendix D

STATEMENT BY THE HONOURABLE ZANANA AKANDE
MINISTER OF COMMUNITY AND SOCIAL SERVICES
ON ADDRESSING POVERTY IN ONTARIO
QUEEN'S PARK, TORONTO

NOVEMBER 29, 1990

DISPONIBLE EN FRANÇAIS

MR. SPEAKER,

THIS AFTERNOON I WOULD LIKE TO INFORM THE HOUSE OF THIS GOVERNMENT'S PLANS FOR ADDRESSING POVERTY IN ONTARIO. THIS ISSUE MUST BE ADDRESSED INTER-MINISTERIALLY. TODAY I WANT TO TALK ABOUT FOUR STEPS.

FIRST: THE GOVERNMENT PLANS TO ACCELERATE THE PROCESS OF SOCIAL ASSISTANCE REFORM IN ONTARIO. THE FOUNDATION OF THIS REFORM IS THE RECOMMENDATIONS OF THE SOCIAL ASSISTANCE REVIEW COMMITTEE IN ITS REPORT ENTITLED "TRANSITIONS".

...CONT'D.

As stated in the Speech from the Throne, we are committed to reform of Ontario's social assistance system and that includes a commitment to the major directions of the SARC recommendations. They provide the solutions that we must put into practice.

To accelerate this reform process, I have asked the Advisory Group on New Social Assistance Legislation, established six months ago by my predecessor, to fast-track its work. This government has funded it to do so.

I have requested that the Group report back to me in January 1991 with advice on those recommendations of SARC that could be implemented without legislative change. Its advice would be in time for consideration in the spring budget.

As for the recommendations from "Transitions" that do require changes in social assistance legislation, I have further asked that the Advisory Group report back to me by the middle of next year with a blueprint.

...cont'd.

MR. SPEAKER, AS I POINTED OUT EARLIER, SEVERAL RECOMMENDATIONS FROM THE SARC REPORT GO BEYOND THE JURISDICTION OF MY MINISTRY. FOR THIS REASON A COMMITTEE OF RELEVANT MINISTRIES WILL BE ESTABLISHED TO CO-ORDINATE THE IMPLEMENTATION OF THESE RECOMMENDATIONS IN A COMPREHENSIVE APPROACH TO ADDRESSING POVERTY. THIS COMMITTEE WILL BE LED BY THE MINISTRY OF COMMUNITY AND SOCIAL SERVICES.

SECOND: WHILE THE REFORM OF ONTARIO'S SOCIAL ASSISTANCE LEGISLATION WILL TAKE PLACE THROUGHOUT 1991, THERE IS ONE VERY IMPORTANT STEP THIS GOVERNMENT IS GOING TO TAKE QUICKLY TO INCREASE THE INCOMES OF ALL RECIPIENTS OF SOCIAL ASSISTANCE.

MY MINISTRY WILL IMPROVE THE PREVIOUSLY ANNOUNCED SOCIAL ASSISTANCE RATE INCREASES THAT ARE EFFECTIVE JANUARY 1, 1991. PUT SIMPLY, WE HAVE DECIDED TO INCREASE THE INCREASES.

INSTEAD OF THE FIVE PERCENT INCREASE IN BASIC ALLOWANCES THE INCREASE WILL NOW BE SEVEN PERCENT.

AND THE INCREASE IN SHELTER CEILINGS WILL BE BOOSTED FROM FIVE PERCENT TO TEN PERCENT.

THESE IMPROVEMENTS WILL ADD ANOTHER $91 MILLION TO SOCIAL ASSISTANCE BENEFITS IN 1991/92.

FOR A SINGLE PARENT WITH TWO CHILDREN THE IMPACT OF THE JANUARY INCREASES WILL RESULT IN UP TO AN ADDITIONAL $104 A MONTH.

THIRD: MR. SPEAKER, WE REALIZE THAT MUNICIPALITIES, WHICH PAY 20 PERCENT OF THE COST OF GENERAL WELFARE ASSISTANCE, HAVE NOT BEEN GIVEN ADVANCE NOTICE OF THIS IMPROVEMENT OF THE PREVIOUSLY ANNOUNCED RATE INCREASES. FOR THAT REASON -- FOR THE 1991 CALENDAR YEAR ONLY -- THE PROVINCE WILL PAY THE ESTIMATED $7.4 MILLION MUNICIPAL SHARE OF THE ADDITIONAL TWO PERCENT IN BASIC ALLOWANCES AND ADDITIONAL FIVE PERCENT IN SHELTER CEILINGS.

FOURTH: THIS GOVERNMENT WILL DRAW UPON A $54 MILLION FUND ANNOUNCED BY THE PREVIOUS GOVERNMENT BUT NEVER USED. THIS FUNDING WILL SUPPORT EMPLOYMENT PROGRAMS FOR PEOPLE RECEIVING SOCIAL ASSISTANCE AND FOR PEOPLE WITH DISABILITIES.

THIS WILL INVOLVE A WIDE RANGE OF SERVICES THAT WILL FOCUS ON PREPARING AND TRAINING PEOPLE FOR JOBS AS WELL AS CREATING WORK OPPORTUNITIES THAT WILL LEAD TO PERMANENT EMPLOYMENT.

THE FUND ALSO HELPS WITH EMPLOYMENT-RELATED EXPENSES SUCH AS CHILD CARE FOR SINGLE PARENTS OR ASSISTIVE DEVICES FOR PEOPLE WHO ARE PHYSICALLY DISABLED.

MR. SPEAKER, I BELIEVE THESE ARE ALL IMPORTANT AND SIGNIFICANT STEPS THAT DEMONSTRATE THIS GOVERNMENT'S COMMITMENT TO ADDRESS POVERTY IN ONTARIO. THIS IS REAL SOCIAL ASSISTANCE REFORM, MAKING THE SYSTEM MORE FAIR FOR MORE PEOPLE. OUR DETERMINED COURSE OF ACTION TRANSFORMS A SERIES OF RECOMMENDATIONS FROM WORDS ON PAPER TO IMPROVEMENTS IN THE QUALITY OF PEOPLES' LIVES.

THANK YOU.

Appendix E

DESCRIPTION OF PROJECT TEAMS AND LEGISLATION DEVELOPMENT SECTION

The Advisory Group on Social Assistance was established to provide independent advice on new Social Assistance Legislation and on an evaluation of the Supports to Employment Program (STEP) to the Minister of Community and Social Services. The advice given by the Advisory Group will be based in part on policy analysis work done by seven Project Teams.

The six social assistance legislation Project Teams consist of persons with expertise in six key areas, from both inside and outside the government, and have been charged with the mandate to examine legislative issues and propose options for addressing such issues in new legislation. The Project Teams are as follows:

- Legal Issues Project Team
- Benefit Structure Project Team
- Disability Determination Project Team
- Employment Services Project Team
- Indian Communities Project Team
- Delivery and Funding Project Team

Each project team will prepare reports, under the direction of the Advisory Group, that will contain policy options and strategies for implementation in new legislation. These reports will provide the groundwork for the Advisory Group as it develops its report on New Social Assistance Legislation, to be presented in Mid-1991.

A seventh Project Team is conducting an evaluation of the STEP initiative introduced in October. The Advisory Group will comment on this evaluation when complete.

The Legislation Development Section has been established within the Ministry of Community and Social Services, to provide Secretariat support the Advisory Group and the Project Teams. The purpose of the Legislation Development Section is, in part, to:

- Coordinate the activities of the Project Teams and the Advisory Group;
- Act as a liaison between the Advisory Group and the Project Teams; and
- Act as project manager for the work of the Project Teams.

Appendix F

Due to time constraints and the comprehensive consultations that had already been carried out by the Social Assistance Review Committee, the Advisory Group did not conduct formal consultations for this report. A cross-section of province-wide organizations was invited to assist the Advisory Group with their suggestions on possible short-term reforms. These discussions were held with the following organizations:

Association of Municipalities of Ontario (AMO)
Income Maintenance for the Handicapped Coordinating Group
Low Income Families Together (LIFT)
Ontario Chamber of Commerce
Ontario Coalition Against Poverty (OCAP)
Ontario Council of Agencies Serving Immigrants (OCASI)
Ontario Federation of Labour
Ontario Municipal Social Services Association (OMSSA)
Ontario SARC Network
Steering Committee on Social Assistance
Task Force on Food Banks